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The Associated Press

V Signs, Rubble, Tears of Women

A Palestinian guerrilla, above, arriving on Cyprus by ship from Lebanon, raises his rifle in salute while others give the V sign. At right, guerrillas crossing West Beirut toward the port are driven past a shattered building in the capital. They also were to be taken by ship to Cyprus before leaving for new homes in eight Arab countries throughout the Middle East. Below, Palestinian women remaining in Beirut mourn the departure of the men. Thousands of other guerrillas and Syrian troops are to leave Beirut during an evacuation that is expected to take two weeks.



The Associated Press



The Associated Press

The \$1,000-a-Person Giveaway: Who Wants It?

Alaska's Share-the-Oil-Wealth Program Angers Some and Worries Others

By Jay Mathews
Washington Post Service

ANCHORAGE, Alaska — On this northernmost frontier of American political science, the state government has been sending out a \$1,000 check to every man, woman and child in Alaska. After a month, few of the recipients have even bothered to say thank you.

"I almost feel that I'm on welfare," grumbled Ron Moore, a 36-year-old real estate man from Soldotna. "I've lived here 30 years and I don't see why I should rely on the state for subsistence."

In the state Revenue Department in Juneau, Colleen Brown reported that the givers are not being blessed by the receivers, who only call to complain if their checks have not arrived. "We have received enraged and irate calls from just about everybody," she said. "You've never seen so many greedy people in your life."

So far the Revenue Department has sent out \$7,901 checks, each decorated with the state flag, which shows, appropriately enough, the stars forming the Big Dipper. It expects eventually to send a total of \$415 million in checks to the state's 415,000 residents.

Alaskans do not seem quick to spend their new riches. Automobile and snowmobile dealers say there has been little uptick in business. Few charities say they have benefited from the giveaway, though in some cases not for lack of trying.

The Fairbanks Environmental Center asked its members some time ago to donate all or part of their checks to the center, but so far fewer than 10 contributions have come in. The University of Alaska Foundation estimated that it has received between 15 and 20 dividend checks.

has been swamped with 1,000 requests a day for certified copies of birth certificates, which are necessary if parents are to claim \$1,000 for each of their children. Any resident's child born up to midnight Oct. 15 may claim a check, prompting speculation that women with babies due about that time will flood maternity wards and induce labor in order to make sure.

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Alaskan politicians who conceived the giveaway years ago wanted to demonstrate their faith in the people's ability to decide themselves how their money should be spent, rather than building the usual political pet projects. The Permanent Fund has been created with about 25 percent of the state revenues from the Prudhoe Bay oil fields and other mineral resources. The giveaway checks were to come

The checks sent out this year were originally due in 1980. But Ron and Patricia Zobel, married lawyers who arrived in the state in 1978, objected to the original plan to distribute payments on a sliding scale — \$50 for newcomers and up to \$1,050 for old-timers. The Zobels successfully sued to stop that plan on the ground that it discriminated unconstitutionally against new residents.

The legislature decided to go ahead and give the same amount to everyone who had been in the state at least six months, adding the dividends that had not been paid since 1980. That brought the payment for everyone this year up to \$1,000.

Ron Zobel said that like many of his fellow Alaskans he was never very happy with the idea of the government's giving away cash. But now that the checks are arriving, the hate mail and threatening phone calls that accompanied his original suit have tapered off.

Under the current plan, Alaskans will each get \$350 in 1983, \$250 in 1984, and then the annual payments will begin increasing again at an unknown rate.

Politicians here worry about what the giveaway will do to the state's relationship with the lower 48 states. They say they fear a vast inflow of the unemployed, who are already a problem because of the widespread and somewhat erroneous impression that Alaska is full of job opportunities.

New Worries Replace Old In Mideast

By William E. Farrell
New York Times Service

CAIRO — The beginning of the Palestinian guerrilla withdrawal from Beirut has prompted many unanswered questions among foreign diplomats and Arab officials over the future of Lebanon and the rest of the Middle East. Some of the questions focus on the fear that major military actions may occur before the evacuation is completed.

"The danger potential of the next few weeks cannot be underestimated," a Western diplomat said here Saturday as he noted that the withdrawal plan devised by the U.S. special envoy, Philip C. Habib, could fall apart for any number of reasons.

Here and elsewhere in the Middle East there is also a lingering concern that Palestinians, spurred by a dispersed Palestine Liberation Organization, might again take up terrorist tactics in the Middle East, Europe and the United States.

These are some, but by no means all, of the other questions: What will happen to the Palestinian guerrillas entrenched in northern Lebanon around Tripoli and in the central Bekaa Valley? Will the Israelis strike at them after the PLO has left Beirut? Other sources of uncertainty are the fate of the more than 600,000 Palestinian civilians still in Lebanon, and the fears of Muslims in West Beirut of reprisals from the Christian Phalangist militias of East Beirut.

How long will the Israelis continue to occupy large sections of Lebanon? Has there been a major shift in the balance of power in the Middle East, and what is the possibility of a Lebanon divided under the domination of Israel and Syria?

Will the Lebanese political situation, marked by dissent and conflict, permit the early election of a new president who will be palatable to factions in the country that, even during the two and a half months of the Israeli invasion, did not completely halt their fratricidal battling?

What kind of pressure, if any, will the international community exert in an attempt to restore calm to Lebanon and assure that the Israeli presence, and perhaps that of Syria as well, is diminished and finally ended there?

What — and this is particularly important to the PLO — will the U.S. approach be in the weeks and months ahead? A number of Palestinian officials feel that a change in American policy toward the guerrilla organization may be forthcoming, but only if Arab and Western nations present convincing



The Associated Press

Police officials in Paris inspecting the site of Saturday's bombing, in which one person was killed.

Man Is Killed in Paris Bombing; Beirut-Based Group Claims Attack

Compiled by Our Staff From Dispatches
PARIS — A bomb exploded Saturday outside the home of a U.S. diplomat, killing a French bomb-disposal expert and maiming another. A policeman was injured slightly.

Police said that the bomb may have been intended for Roderick Grant, commercial counselor at the U.S. Embassy. The bomb exploded outside his home and near the apartments of other American families.

A telephone call to Reuters in Paris said the Beirut-based Lebanese Armed Revolutionary Factions, believed to be a faction of the Palestine Liberation Organization, claimed responsibility for the attack, near the Eiffel Tower.

In another telephone call to Agence France-Presse, a man identifying himself as Jean-Marc Rouillan, 31, founder and leader of the outlawed extreme leftist group Direct Action, claimed responsibility for the bombing. The French news agency said it received the call before news of the bombing reached the public. But a later telephone call allegedly from Direct Action denied any role in the bombing.

One theory is that the device was attached to Mr. Grant's car and was dislodged as he drove off.

bomb, wrapped in a package lying between two parked cars, exploded just as the two bomb-disposal experts were approaching.

Bernard Le Dreau, 46, was killed instantly. His colleague, whose name was not released, lost both legs and both arms and was in critical condition in a hospital.

Police said they were taking seriously the call in the name of the Lebanese Armed Revolutionary Factions. The caller said the attack was "anti-imperialist." Last January, the group accused Americans of leading a "fascist, Zionist, reactionary alliance" against the Lebanese people.

The Lebanese group claimed responsibility for the shooting death of Lt. Col. Charles R. Ray, an assistant U.S. military attaché, on Jan. 18 in Paris. Members also are believed to have fired unsuccessfully at the U.S. charge d'affaires, Christian Chapman, last November outside his Paris apartment.

A U.S. Embassy official said Saturday's explosion was "a police matter," adding that the embassy had confidence in French security forces to control the situation.

Last week, France announced that it was taking stringent measures to combat a growing wave of terrorism in the country. French anti-terrorist organizations were moved under a specially appoint-

ed chief, Commander Christian Prouteau, and President Francois Mitterrand appointed Joseph Franceschi, a former secretary of state for the aged, to the new post of secretary of state for public security.

Other measures included the establishment of a centralized data bank on terrorist groups, tighter border controls, a ban on the sale of certain weapons and heavy reinforcement of services dealing with public security. Mr. Mitterrand also said France would try to stop the abuse of diplomatic privileges, such as the use of diplomatic bags for carrying weapons.

The government on Wednesday outlawed Direct Action, making membership in the group a crime punishable by up to two years in prison and a maximum fine of 60,000 francs (about \$8,600).

Mr. Rouillan, the movement's leader, who is being sought on an arrest warrant, has admitted the group was behind a series of recent attacks, largely against Jewish interests in France. But he has denied that Direct Action was involved in a terrorist attack Aug. 9 against a Jewish restaurant in Paris in which six persons were killed.

Police officers say Direct Action is believed to be made up of about 50 hard-core members, mostly young, middle-class and well-educated.

Beirut Exodus Begins

392 Palestinians Arrive in Cyprus; 2d Ship Briefly Blocked by Israelis

Compiled by Our Staff From Dispatches

BEIRUT — About 1,000 Palestinians sailed for Cyprus on Sunday, following a contingent of 392 guerrillas who left the Lebanese capital Saturday in the first phase of a two-week evacuation.

For several hours Sunday, Israeli military vessels prevented the Cypriot passenger ship Sol Phyrne from leaving Beirut's harbor. Israel claimed that the guerrillas had violated the U.S.-mediated evacuation plan by bringing women, children and weapons other than their personal arms aboard.

Reliable Israeli sources told the Associated Press that the Palestine Liberation Organization guerrillas, who are bound for Tunisia, had taken several crates of rocket-propelled grenade launchers aboard the ship in the 20 jeeps.

But the blockade was lifted after the U.S. ambassador to Israel, Samuel W. Lewis, guaranteed that

the military jeeps would be removed from the vessel in Cyprus, a spokesman for Prime Minister Menachem Begin said in Jerusalem. Israeli radio later reported that the ship had left the harbor.

Israel also complained to Philip C. Habib, the special U.S. envoy, that the guerrillas, mainly members of Yasser Arafat's Fatah faction of the PLO, took aboard 35 women and children dressed in guerrilla uniforms, the sources said.

Israel insists that the identities of the fighters be verified by the Lebanese Army as they board the ships. They say this is the only way they can be sure the PLO is not sending noncombatants disguised as guerrillas from Beirut while leaving their real force in the city.

"An agreement is an agreement and you neither add to it or subtract from it," said the spokesman

for Mr. Begin, Uri Porat. "Otherwise, what was the point of working so hard to get an agreement?"

Israel also has complained to Mr. Habib about continuing truce violations outside Beirut. The Israeli military command reported the deaths of an Israeli soldier and three PLO guerrillas in central and eastern Lebanon, and warned Syria that it would not tolerate guerrilla raids from behind Syrian lines.

The warning to Damascus followed reports throughout the weekend of continuing reinforcement and maneuvers of Israeli and Syrian forces in the eastern Bekaa Valley.

The evacuation of the estimated 11,500 PLO and Syrian-commanded guerrillas from Beirut, where they had been encircled for about nine weeks by Israeli forces following Israel's June 6 invasion of Lebanon, began Saturday morning.

Two groups of green-uniformed guerrillas, mainly members of the Syrian-commanded Palestine Liberation Army, filed on board armed with their automatic rifles as they were watched by 350 French peace-keeping paratroopers, who had arrived nine hours earlier, and soldiers of the Lebanese Army.

With the pride of conquerors rather than the despair of a retreating army, the guerrillas — some in purple berets, some in steel helmets and some in checkered headcloths — assembled in a sports stadium and rode in Lebanese Army trucks to the loading ramps of the ferry Sol Georgios bound for Cyprus.

They and leftist Lebanese militiamen directing traffic kept up a barrage of rifle fire into the air in a final salute, interspersed with heavier explosions of mortars and (Continued on Page 2, Col. 6)

Habib's Toughness Was a Key to Beirut Solution

By Leslie Gelb
New York Times Service

WASHINGTON — In Saigon in the mid-1960s, Philip C. Habib came to his office as political counselor earlier than his aides, left later, then usually went out for a night of poker. It was known as the highest-stakes game in Vietnam. Mr. Habib was a consistent big winner.

"He was very bold," recalled Barry Zorhian, a government colleague who also played in the game. "He was good at bluffing and even better at calling other guys' bluffs."

In good part, this is what the 62-year-old presidential envoy has been doing in the Middle East for the past 10 weeks. The settlement — the withdrawal of Palestinian and Syrian forces from Beirut, the end of the destruction — bears his name, the Habib plan, and in this city not known for its political generosity, no one begrudges him the credit.

His Normalcy Shout

State Department officials in touch with their counterparts in Beirut and Tel Aviv describe the typical evening scene.

It is 2 a.m. in Lebanon. "Phil," as almost everyone calls him, is on

the secure telephone to Washington, shouting. Everyone else in the ambassador's residence is either asleep or drifting off.

"These young guys here don't know how to do any work," Mr. Habib says in his normal shout. "I have to do all the work."

According to officials with access to the transcripts of the telephone calls, the above was often followed by "Just do what I say. Don't give me a hard time. It'll work out."

While experts in Washington were formulating intricate plans for controlling the escalating action in Lebanon and thinking of schemes for linking events there with broader moves in the Middle East, Mr. Habib had to have

stuck to simple and straightforward goals and strategy.

His goals were to stop the fighting and get Palestinian forces out of Beirut and Lebanon. His strategy was to let all the parties know that the United States meant business.

Those who have worked with him these past weeks were struck by how he readied himself to meet with his interlocutors. "He would gather us around, practice what he was going to say, pump himself up," one recounted. "By the time

he got into the negotiating session, he was sailing. You could see and feel the impression he was making. He spoke with force, conviction, and sincerity. It was high theater."

Unmistakable Clarity

Those who read the accounts of his conversations with Arab and Israeli leaders said that his points were always unmistakably clear. To the Lebanese intermediaries with the Palestine Liberation Organization, he would say: "If you don't get the PLO out of the city, the Israelis will come in and get you all, and it will be on your heads." To the Israelis who often told him that his mediation efforts were not working, that there was another alternative — more force — Mr. Habib is quoted as having said: "No. There is no other possibility because it is unacceptable to me."

Mr. Habib often had similar exchanges in the first weeks of the war with Alexander M. Haig Jr. who was then secretary of state. According to administration officials, Mr. Haig strenuously maintained that Mr. Habib's negotiating efforts were "premature," that more Israeli military pressure was required before the PLO would bargain in good faith. Mr. Habib,

never known to be less strenuous in advocacy, would reply, in effect, by saying: "You don't know what you're talking about, you're wrong. I'm here. I know what can and can't be done."

About two weeks ago, when the PLO made clear that it was prepared to leave Beirut and when Israeli pounding of the city increased in response to cease-fire violations, Mr. Habib did not hesitate to tell the White House that President Reagan had to get tougher with the Israelis. Mr. Reagan took the point, as he had from Mr. Habib all along, and went public with his line about running "out of patience."

By all accounts, Mr. Habib not only shaped the overall policy, but indulged in his usual obsession with the details. He and his team essentially formulated the mechanisms of the international peacekeeping force and the PLO withdrawal, down to the countries that would receive the withdrawing troops.

His colleagues repeat the same list of adjectives about him: indefatigable, determined, abrasive, irreverent, funny, optimistic, blunt, and scatalogical. Dozens of people in Washington, high and low in government, call him one of their closest friends.

His colleagues like to repeat the few repeatable "Philisms."

"Be patient. I'll take care of you." Said to Foreign Service officers who were getting mauled in their careers by politicians.

"Amateurs." The ultimate Habib put-down, usually reserved for non-Foreign Service officers.

Presidents from Lyndon B. Johnson to Ronald Reagan and secretaries of state from Dean Rusk to George P. Shultz always trusted him, often because he was the only one who told them what they did not want to hear.

In March 1968, Johnson gathered up a glittering list of former high officials, the Wise Men they were called, to review U.S. policy toward Vietnam in the light of the devastating Communist Tet offensive. Mr. Habib is credited as being one of the few government officials who told them the unfavorable facts.

Nobel Sought for Habib

Reuters reported from Washington that Charles H. Percy, an Illinois Republican and chairman of the Senate Foreign Relations Committee, nominated Mr. Habib for the Nobel Peace Prize for his efforts in Lebanon.



Philip C. Habib

"Seldom in the annals of history has one man demonstrated as much integrity, persistence and perseverance in resolving an intractable problem as Ambassador Habib," Sen. Percy said in a letter to the Nobel Institute.

Evacuation From Beirut Is Under Way

(Continued from Page 1)

recollapsing rifles fired into the sea by Palestinian fighters remaining in the city. The repeated firing of the weapons was intended to show that they consider their departure from Beirut a political victory.

Thousands of Lebanese and Palestinian residents of West Beirut braved the ear-splitting din and a hail of flying cartridge cases to line the rubble-strewn streets and watch the fighters pass.

Israeli soldiers and members of the Christian Lebanese militia watched the first stage of the exodus from rooftops and behind the closed chain-link fence outside the port's bomb-damaged docks.

About two hours after the trucks bearing the fighters appeared at the dock, the ferry rounded Beirut harbor's cement breakwater and headed into the Mediterranean Sea.

On Sunday, one group of guerrillas flew to Jordan from Larnaca Airport and were greeted on arrival by King Hussein, who told them: "We have a long struggle ahead. But we will win in the end."

In a rare public reference to the 1970 fighting during which the Jordanian Army expelled the Palestinian guerrillas from Jordan, King Hussein said: "Whatever happened in the past was a family affair."

In Baghdad, another group of fighters who arrived from Larnaca on Sunday were met by Naim Haddad, a leading member of the ruling Baath party, the Iraqi news agency reported.

At Larnaca, both groups had been seen off by Farouk Kadoumi, the PLO foreign affairs spokesman, who told them: "This is the beginning of armed struggle. Our fighters will continue to fight on all levels to gain a homeland."

Lebanon's postponed presidential elections, meanwhile, were still scheduled to be held Monday, but Lebanese Christian political sources in East Beirut acknowledged that, if anything, Lebanese Muslim politicians' opposition to holding the election now "may have hardened rather than softened" since the first attempt to hold them last Thursday was canceled.

A large number of Lebanese Muslim community leaders are opposed to the only presidential candidate, Bashir Gemayel, 34, the Christian Phalangist militia commander, and have threatened not to attend the parliamentary election to keep a quorum from forming.

In a move believed designed to stop Muslim politicians from attending meetings regarding the election, Mr. Gemayel's militia on Sunday afternoon sealed off the only two crossing points from East Beirut, which they control, into the western sector of the city, where most of the Muslim leadership is based. The militia said no traffic would be allowed in until Monday afternoon.

Also Sunday, Israeli troops restored electricity to West Beirut on Sunday for the first time since July 4, except for a week-long restoration that ended July 26. Lebanese officials said the Israeli's food blockade of West Beirut would be gradually lifted as the guerrillas' evacuation gained momentum.

There have been recent reports of extensive Israeli and Syrian troop movements in the mountains bordering both sides of the Bekaa Valley east of Beirut.

An Israeli Army spokesman said, "I cannot confirm or deny redeployment or new deployments in the Bekaa" in conformance with Israeli Army policy.

In Saturday's and Sunday's editions of the independent newspaper, L'Orient-Le Jour, however, hundreds of Israeli tanks and armored cars were reported to have descended the west wall of the valley to the floor since Friday. At the same time, travelers report that the Syrians are reinforcing their positions at the base of the Anti-Lebanon mountain chain that forms the valley's east wall with tanks, and have added more tanks, as well as additional large numbers of surface-to-air missiles, to defenses along the border with Lebanon.

Western military analysts have repeatedly stressed that the Syrians consider the Bekaa Valley the first line of their defense of their country and capital of Damascus, which is only 15 miles (24 kilometers) from the border.

Even without a fresh U.S. determination on this point, direct Palestinian involvement probably would be essential to further progress in the autonomy negotiations. U.S. officials dealing with the problem say Egypt is now much

WORLD BRIEFS

Spending Bill May Face Reagan Veto

WASHINGTON — The Senate has given final approval to a \$14.1-billion supplemental appropriations bill and adjourned for its Labor Day recess knowing that President Reagan might veto the legislation.

The bill, which includes \$250 million in aid to Latin America and the Caribbean, was passed Friday by a voice vote and sent to Mr. Reagan. David A. Stockman, the director of the Office of Management and Budget, has said he will recommend a veto because the bill exceeds Mr. Reagan's instructions by \$918 million in spending for social programs. Senate Republicans maintain, however, that it provides \$1.9 billion less than Mr. Reagan asked. The House approved the bill last Wednesday.

The measure would permit programs in nearly every federal agency to operate until this fiscal year ends Sept. 30. Several Senate leaders have warned that unless the bill is approved, Mr. Reagan is unlikely to win any financing for his Caribbean aid plan in the current fiscal year.

China to Respect Hong Kong Status

PEKING — An official Chinese magazine said Sunday that the status quo in Hong Kong should be maintained until a peaceful agreement on the British colony's future can be reached.

The English-language weekly Beijing Review said, "The Chinese government holds that the issues should be peacefully resolved in an appropriate way when conditions are ripe, and that until then the status quo should be maintained." The article also referred to Macao, which is governed by Portugal.

It said Hong Kong and Macao "will continue to play their due roles" after the problem of their status has been resolved. Diplomatic sources said this indicated that they could retain their present social and economic systems if China takes them over. Britain's 99-year lease on the New Territories, which form 90 percent of Hong Kong's land area, expires on June 30, 1997.

Marcos Hospitalized With Pneumonia

MANILA — Political dissidents rallied Sunday to demand the resignation of President Ferdinand E. Marcos, who was hospitalized with what doctors called mild pneumonia.

Mr. Marcos, 68, checked into a hospital in suburban Quezon on Saturday with chills, fever and a cough, two days after he appeared on national television to deny rumors that his health was failing. A medical bulletin said his condition was improving Sunday, and a presidential spokesman said the ailment was "not likely" to affect Mr. Marcos' plans to visit the United States next month.

About 1,200 protesters denounced Mr. Marcos at a rally Sunday in Quezon and called for his resignation. The rally was held to protest the arrests of two militant labor leaders accused of fomenting revolution.

Pern State of Emergency to Continue

LIMA — President Fernando Belaunde Terry, denouncing terrorism by political extremists, said Sunday a state of emergency would stay in force in Lima until sabotage stopped.

He said, however, he would not impose a curfew in the capital or call on the armed forces.

The state of emergency was imposed in Lima and the adjacent port of Callao after extremists blacked out the city Thursday night and attacked shops and official buildings. Lima has been calm since Thursday night, but newspapers reported continued violence in the interior.

Compiled From Agency Dispatches

U.K. Denies Americans Fought for Argentina

The Associated Press

LONDON — The Observer newspaper quoted a British soldier on Sunday as saying that U.S. mercenaries may have fought for Argentina against British troops in the last stages of the Falkland Islands conflict.

The Defense Ministry rejected the report and said the alleged mercenaries were more likely Anglo-Argentines with American accents.

The Observer, an independent weekly, quoted Pte. Jeffrey Logan of the 3d Parachute Regiment as saying in an interview that he and other members of his company were convinced that two snipers captured during a 10-hour battle at Mount Longdon were U.S. nationals and part of a mercenary force.

Mount Longdon is five miles (eight kilometers) outside Port Stanley and its capture was decisive in the British advance on the Falklands capital, which led to the Argentine surrender June 14. Seventeen British paratroopers were killed and 40 wounded in the battle.

The Observer quoted Pte. Logan as saying last week the two prisoners spoke with "unmistakable American accents."

Pte. Logan, 20, is still in a hospital recovering from a hand wound. Although dressed in Argentine combat uniforms, the two captured men apparently were carrying different weapons from the rest of the opposing Argentine force, including U.S.-made telescopic sights, the newspaper said.

According to the report, they said after being captured that the war was over for them "and that the British would have to send them back to America."

In a separate report, the Observer said a secret Defense Ministry inquiry has revealed that a breakdown in communication between the army and navy that caused a delay of two hours in disembarking Welsh Guards from the landing craft Sir Galahad may have been responsible for the 55 losses suffered by Britain in the Argentine air attack on Bluff Cove on June 12.

The Defense Ministry spokesman said no such inquiry existed.

U.S. Seeks Secure Lebanon, Solution for the Palestinians

(Continued from Page 1)

Muslim leaders agreed to permit his election. He was forced to back down.

Because of the likely problems ahead, Mr. Shultz and other officials have indicated that the United States intends to proceed with diplomatic initiatives on the broader Palestinian issue while withdrawal of foreign forces from Lebanon remains incomplete.

There's obviously some connection between them, but they are separate issues," Mr. Shultz said Friday.

One obvious pitfall is Egyptian and Arab resistance to negotiations with Israel while Israeli troops remain in Lebanon. Another is that military crises within Lebanon may tend to dominate Washington policy-making at the expense of the Palestinian question.

Mr. Shultz's ideas on the Palestinian issue, as suggested by such hints as are now available, include the broadening of the autonomy negotiations for the West Bank and Gaza by the inclusion of widely accepted Palestinian representatives as negotiators for the inhabitants. This was envisaged at Camp David but never developed.

Even without a fresh U.S. determination on this point, direct Palestinian involvement probably would be essential to further progress in the autonomy negotiations. U.S. officials dealing with the problem say Egypt is now much

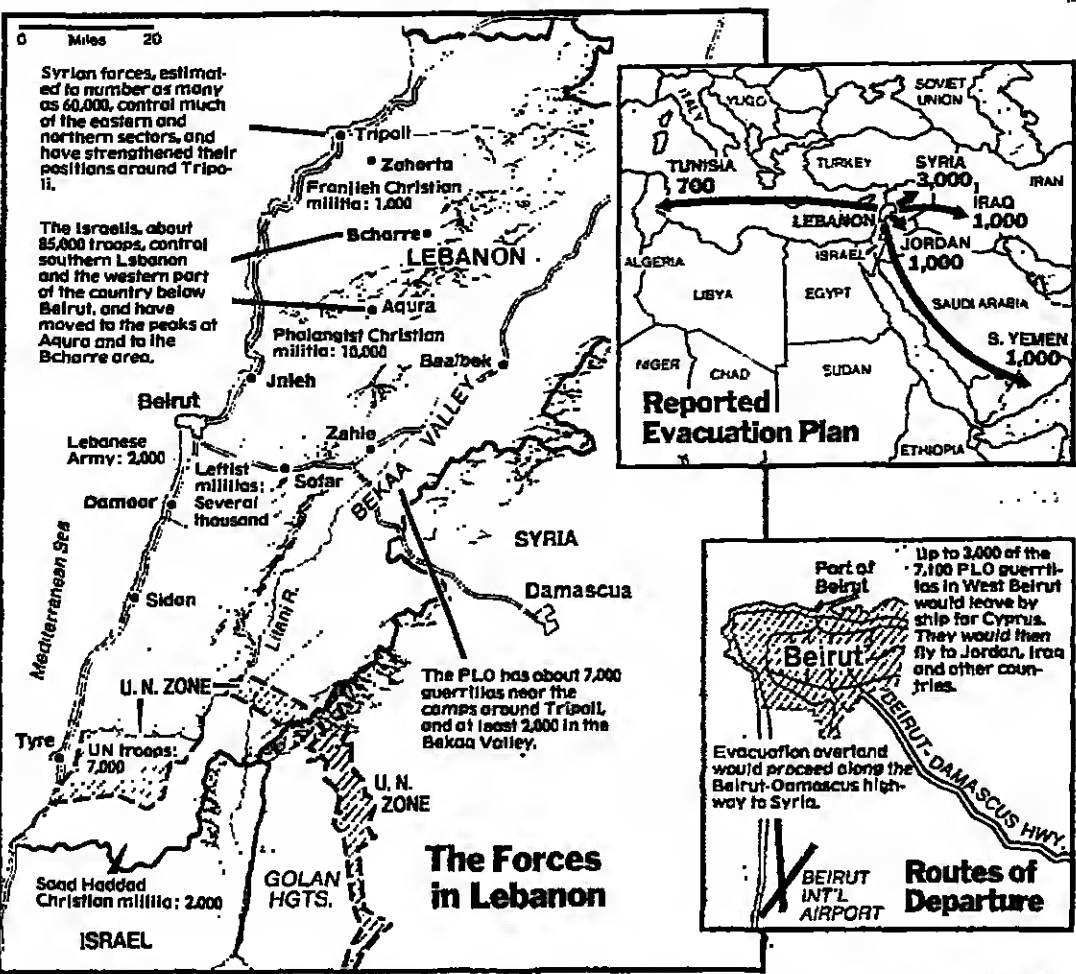
more involved in the negotiations than before the invasion of Lebanon.

A crucial question is Israeli intentions regarding the West Bank and Gaza. There has been no indication that defeat of the PLO is making the government of Prime Minister Menachem Begin more flexible in the occupied territories. Defense Minister Ariel Sharon wants to move settlers into the territories at an intensified pace, and Mr. Begin reportedly wants to annex them when the time is right.

If these attitudes persist, Mr. Shultz's ideas are likely to meet strong Israeli resistance. Mr. Shultz, saying he was quoting Mr. Reagan's views, spoke out against expansion of West Bank settlements. But such statements from Washington have done nothing to deter Israeli settlements policy in the past.

Regarding the future of the Palestinian movement, U.S. intelligence is already reporting efforts to create new centers of leadership on the West Bank, in Syria, and the remaining Palestinians in Beirut and elsewhere in the Middle East. The PLO chairman, Yasser Arafat, may find it more difficult to control an even more fragmented Palestinian diaspora.

Some emerging leaders are relatively moderate, but others are radical. Mr. Arafat's government fear radicalization of Palestinian movements, which is among the for keeping their distance



Military positions and the proposed PLO evacuation routes at the time the plan was announced.

Timetable for Beirut Evacuation

New York Times Service

WASHINGTON — Following is the timetable for the evacuation of Palestinian guerrillas from West Beirut, as provided by the U.S. State Department:

Aug. 21. The advance elements of the multinational force, approximately 350 men, landed at the Port of Beirut and deployed in the port area in preparation for the initial departures of Palestine Liberation Organization groups by sea.

The Lebanese armed forces deployed to previously agreed positions in Beirut, primarily in the demarcation-line area, to assist in the departure of PLO personnel and take over positions occupied by the Palestinian fighters. As the day proceeded, the forces took up other positions to assist in the departure of PLO personnel.

The initial group of PLO personnel assembled in preparation for departure by sea later Saturday or on Sunday.

Aug. 22. All groups destined for Jordan or Iraq to have boarded ship and sailed from Beirut.

Duplicating Saturday's operations, PLO groups destined for Tunisia are to have assembled and to have moved to the Port of Beirut for departure by sea.

Aug. 23. All PLO personnel destined for Tunisia to complete their assembly and embark on commercial vessels for Tunisia. PLO personnel destined for Southern Yemen to assemble and move to a vessel for departure then or on Aug. 24.

Aug. 24-25. Assembly and departure by sea of PLO personnel destined for North Yemen.

Aug. 25. Provided that satisfactory logistical arrangements have been completed, the initial groups of PLO personnel destined for Syria assemble and move overland via the Beirut-Damascus highway to Syria.

The advance French elements of the multinational force already in the port area will have taken up positions on the land route in the Beirut area as necessary to assist in the overland departure of the PLO personnel for Syria. The Lebanese forces join the French in occupying such positions.

(If it should be agreed that these initial groups should go by sea to Syria rather than by land, this departure schedule also is subject to amendment to assure that logistical requirements are met.)

Aug. 26-28 (approximately). The remaining forces of the multinational force, from the United States, France and Italy, arrive in the Beirut area and deploy through the Liaison and Coordinating Committee, which is composed of representatives of the multinational force, participating governments and the Lebanese armed forces. This movement may be accompanied by the transfer of the advance French elements previously in the port area and elsewhere to other locations in the Beirut area.

Aug. 26-28. PLO groups destined for Syria continue to move — by land or sea — to Syria.

Aug. 22-Sept. 4. Turnover to Lebanese forces of PLO weaponry, military equipment and ammunition.

Aug. 29-31. Redevelopment from Beirut of the Syrian elements of the Arab Deterrent Force.

Sept. 1-4. Completion of the departure to Syria — by land or sea — of all PLO or Palestine Liberation Army personnel destined for Syria.

Sept. 2-3. Assembly and departure by sea of all PLO personnel destined for Sudan.

Assembly and movement by sea of all PLO personnel destined for Algeria.

New Concerns Arise in Middle East

(Continued from Page 1)

Some recent editorials in Egypt's press sound very similar to Palestinian criticisms of the U.S. role, including the part played by Mr. Habib. There is growing criticism that the United States is not a genuine mediator between the Lebanese crisis but rather, as one Palestinian official put it, "a representative of one of the sides involved — Israel."

"It was not a clean kind of negotiation," the Palestinian said, referring specifically to Mr. Habib's refusal to deal directly with the PLO,

which was appraised of his proposals through intermediaries.

Referring to the evacuation plan, The Egyptian Mail, an English-language newspaper that is normally quite blunt editorially, said on Saturday: "Can this be the 'success' that in some absurd manner justifies Lebanon's two and a half months of terror? Are those who declare that a solution has been found in the transfer of PLO headquarters-in-exile from one Arab capital to another puffing our legs?"

move could lead to tribal bloodshed.

King Sobhuza vowed to reclaim Swazi territory held by South Africa where he led the former British protectorate to independence in 1968.

King Sobhuza was hailed variously as the Lion, the Great Mountain, the Mouth that Tells No Lies, The Sun and the Milky Way by his 600,000 subjects. He was the first monarch to rule for more than 60 years since Queen Victoria of Britain, who died in 1901.

The king, who was born July 22, 1899, left more than 500 children.

King Sobhuza II of Swaziland Dies, Had Ruled Tiny Kingdom Since 1921

The Associated Press

MBABANE, Swaziland — King Sobhuza II of Swaziland, 83, the world's oldest and longest-reigning monarch, died at his palace Saturday, Swaziland Radio reported Sunday.

King Sobhuza was crowned ruler of the tiny mountain kingdom in southern Africa on Dec. 22, 1921. Court sources said he died of natural causes.

His death was announced as Swaziland is at the center of a crisis over a decision by white-ruled South Africa to grant 2,100 square miles (3,360 square kilometers) claimed by the Zulu tribe to the

In Egyptian circles there is a commitment to the policy of President Hosni Mubarak to press the United States into accepting a new approach toward the Palestinians, specifically trying to move the Reagan administration toward accepting the idea of Palestinian self-determination.

Officials and the press in Cairo have expressed strong disapproval with the role the United States has played during the Israeli invasion that began on June 6. The disaffection ranges from bitter editorials in the government-supervised press to dismay at the grassroots level.

From July 5th through August 27th, Monday through Friday, the International Herald Tribune will present the news in English at 10 a.m. on radio station RMC.

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Shultz Reviews Policy On Russia With Aides And Outside Experts

By Don Oberdorfer
Washington Post Service

WASHINGTON — Secretary of State George P. Shultz had a wide-ranging review of U.S. policy toward the Soviet Union on Sunday with 10 government officials and seven outside experts, including two former secretaries of defense.

Among those attending those attending the meeting, which began about 8 a.m. and lasted through the lunch hour, was Mr. Shultz's Cabinet colleague and former Bechtel Corp. associate, Defense Secretary Caspar W. Weinberger.

The meeting was Mr. Shultz's second lengthy foreign policy review since he was confirmed as secretary of state on July 15. On July 17, he convened a similar session involving Henry A. Kissinger, the former secretary of state, and two other outsiders as well as government officials. The subject was U.S. policy in the Middle East.

It is likely that additional meetings of this kind will be held to assess other international questions, officials said.

A State Department list of participants suggested that Mr. Shultz initially is seeking advice on policy toward the Soviet Union primarily from establishment conservatives with experience in government.

The only exception on the list was Norman Podhoretz, the editor

of Commentary magazine, who has been outside the government and, at times, outside the Washington consensus.

The other outside participants, according to the list, were Harold Brown and Donald Rumsfeld, former secretaries of defense; Peter G. Peterson, a former commerce secretary; Brent Scowcroft, a retired general and former national security adviser; William G. Hyland, a former deputy assistant secretary of state for national security; and Helmut Sonnenfeldt, a former State Department counselor.

In addition to Mr. Weinberger, the governmental participants listed by the State Department were James L. Buckley, the State Department counselor; Richard R. Burt, the assistant secretary of state for European affairs; Kenneth W. Dam, the deputy secretary of state-designate; Rear Adm. Jonathan T. Howe, the State Department director of politico-military affairs; Robert C. McFarlane, the deputy national security adviser; Henry S. Rowen, a Central Intelligence Agency official; Walter J. Stoessel Jr., the outgoing deputy secretary of state; Allen Wallis, the undersecretary of state-designate for economic affairs; and Paul D. Wolfowitz, the State Department's policy planning director.



Secretary of State George P. Shultz meeting the press last week.

Reagan May Pay Price for His Tax Bill Victory

Bipartisan Politics Breed Disaffection Among Some Former Loyalists

By Lou Cannon
Washington Post Service

SANTA BARBARA, Calif. — Outwardly, it is a time of triumph for the White House, a time in which the president's men outdo one another in proclaiming the leadership qualities, persuasive powers and economic foresight of Ronald Reagan.

As the opening of the 1982 mid-term election campaign approaches, Mr. Reagan is finally basking in the glow of good news on the economic front, potentially the economic recovery that he and those around him have long predicted. Peace seems at hand, at least temporarily, in the Middle East. Mr. Reagan's sharply defined image as a conservative partisan has been blunted by his effective use of coalition politics to achieve an unprecedented victory.

"It's a tremendously important win for him," said James A. Baker 3d, chief of staff and one of the principal architects of the victory. "It moves him into the campaign in a strong position."

Nevertheless, there are signs, as Mr. Reagan settles down on his ranch for two weeks of vacation, that all is not as well with the Reagan White House as it appears on the surface.

Surveys taken for Republican candidates show that Mr. Reagan has lost much of his appeal to the blue-collar voters who flocked to his banner in 1980. An undercurrent of disaffection remains in the White House leadership team,

though outward expressions of it are more muted now than they have been in many months. Wide-spread resignations and changes in the White House staff and Cabinet are anticipated after the Nov. 2 elections.

Most of all, there are nagging worries among otherwise loyal Republicans that Mr. Reagan's tax bill victory may prove to be a troubling triumph. In embracing tax increases he had previously opposed, Mr. Reagan for the first time raised doubts about his consistency of purpose among the rank-and-file conservatives who long have provided the vital core of his support.

NEWS ANALYSIS

bill victory may prove to be a troubling triumph. In embracing tax increases he had previously opposed, Mr. Reagan for the first time raised doubts about his consistency of purpose among the rank-and-file conservatives who long have provided the vital core of his support.

Emotionally, they always knew that Ronald Reagan was theirs. Now, they're not so sure, an administration aide said. Even a White House official who is otherwise enthusiastic about Mr. Reagan's victory acknowledges: "A little of the glitter has been tarnished."

The problem is not with Republican conservatives alone.

On Monday the president will fly to Los Angeles to address wealthy Republicans on behalf of the Senate candidacy of Pete Wilson, the former San Diego mayor, who is generally considered a moderate. Mr. Wilson, who leads his Democratic opponent, Gov. Edmund G. Brown Jr., in the polls, opposed the tax bill. Gov. Brown favored it. The irony of Mr.

Reagan's position has not been lost among California politicians.

"What does Ron say on the campaign trail?" asked a veteran Republican political operative. "I'm sure he'll think of something because he always does. But it's going to be hard to urge that a Republican Congress is needed to put over the president's program when all those Democratic congressmen are waving their little thank-you notes from the president."

The reference was to the letters that Mr. Reagan, in response to a demand from House Speaker Thomas P. O'Neill Jr., Democrat of Massachusetts, promised to write to every congressman who voted for the tax bill.

In fact, the coalition the president assembled last week is not — for Mr. Reagan — quite as unusual or unprecedented as either supporters or opponents of the bill have maintained.

During his first term as governor of California, for instance, Mr. Reagan collaborated with assembly speaker Jesse Unruh, then the most powerful Democrat in California, to push through a record tax bill with many progressive features.

A White House official said that Mr. Reagan has been trying to practice coalition politics this year, too, ever since he brought together the congressional leaders of what he called "the Gang of 17" in an unsuccessful effort to work out a budget compromise earlier this year. The difference last week, the

official added, was that it was the first time the House Democratic leadership responded.

What is really different this time is the extent of the Republican defection, which includes 89 House members, some prominent candidates like Mr. Wilson and almost every important conservative organization in the country.

Whatever the problems with the conservatives, the White House staff leadership argues that the phases in Mr. Reagan's victory far outweigh any minutes.

They point out that Mr. Reagan is seen as a decisive leader even by many who oppose his policies and that he reinforced this image by winning the tax bill fight. They say that he has shown he puts country above party, a quality that most Americans want in their president.

And finally, they say, the victory has given him the ability to unite with those who opposed him as defeat would never have done.

Ultimately, the political wisdom of Mr. Reagan's coalition course is likely to be determined outside Washington — on Wall Street and in the economically hard-hit Northeast and Midwestern states whose congressional delegations overwhelmingly supported the tax bill.

The White House is openly taking credit for last week's stock market rise and interest rate downswing — and Mr. Reagan is certain to get the blame if the market collapses and interest rates start moving up again.

Pentagon 5-Year Plan Aims to Sustain a Conventional War

By Richard Halloran
New York Times Service

WASHINGTON — The Defense Department has begun a five-year, \$100-billion program intended to double and eventually triple the ability of the armed forces to sustain themselves in combat, according to senior departmental officials.

Today, military leaders said, the forces could fight for about 30 days before starting to run out of ammunition, weapons and critical supplies. Moreover, the services lack the planes and particularly the ships to sustain a sufficient flow of supplies to combat zones.

"If we had to go to war this afternoon, even a war the size of Vietnam," said an officer with long combat experience, "I don't see how we could do it."

In a global war with the Soviet Union, several senior officials said in recent conversations, the president might thus be confronted within a month with the choice of surrendering or resorting to nuclear weapons in desperation.

Despite their ambitious plans,

the defense officials doubt that the goals can be reached, because battle consumption rates have skyrocketed and because buying supplies lacks the political appeal of ordering glamorous ships and planes, which visibly create jobs.

2,000 Tons a Day

Recent Pentagon studies show that American forces in World War I consumed an average of 65 tons of material a day; in World War II that was up to 675 tons; in Vietnam it soared to 1,000 tons; in the Middle East war of 1973, Israel burned up 2,000 tons a day.

About half the consumption in a current war, officers said, would be for mobile forces in armored personnel carriers, tanks and aircraft. Higher rates of fire and the need to replace more weapons cause the increase.

The military officers also pointed out that the British campaign against Argentina over the Falkland Islands required 98 ships just to sustain a relatively small operation. They noted that that battle was 8,000 miles from home, the same distance from the East Coast

to the Gulf through the Suez Canal but only two-thirds the distance around Africa or from the West Coast.

An experienced general summed it up: "In making war, amateurs talk about tactics. The real professionals talk about logistics and sustainability because that's where wars are won."

Escalation Assumed

After the war in Vietnam, budget cuts precluded rebuilding stockpiles burned up during that conflict. The Carter administration's military strategy, therefore, anticipated a short conventional war in Europe that would escalate to a nuclear exchange within weeks.

In contrast, the Reagan administration envisions a protracted conventional worldwide war against the Soviet Union. Military strategists think that Soviet military planners believe the United States would run out of ammunition in a war of attrition and then quit rather than employ nuclear weapons.

Consequently, administration

officials asserted, the United States must rebuild its stocks of war supplies and refurbish the industrial base to produce the munitions needed to stay in the field against the Soviet Union in prolonged hostilities.

The Defense Department's basic policy on sustaining a conventional war was outlined in Defense Guidance, a classified five-year plan intended to provide strategic direction to the military services. The document said U.S. capability for sustaining combat "should be at least equivalent to that of the Warsaw Pact."

Buildup Ordered

The military services were instructed to build up "a minimum of 60 days of combat sustainability in all theaters and at sea by the end of fiscal year 1987."

But, Defense Guidance said, the objectives are "probably fiscally unattainable" within the next five years. Thus, the services were instructed to set a balanced set of minimum goals that could be achieved.

In addition, the document said,

the industrial base that produces munitions and supplies must be rebuilt, although it did not say specifically how that was to be accomplished.

It said that by 1985, industry should be able to turn out supplies to raise the stockpile of munitions to a 60-day consumption level and other war supplies to a 30-day level within a year. By 1987, it said, industry should be able to raise the munitions stockpile to 90 days and other supplies to 60 days within a year. A 180-day level was the goal by the end of 10 years.

The Reagan administration, since coming to office, has doubled its requests for ammunition. It has also, continuing a move begun by the Carter administration, doubled the capacity of the Military Sealift Command to transport weapons, fuel, food and supplies to the Gulf.

And for airlift, Congress approved last week, after a bitter political fight, the purchase of 50 new C-5 Galaxy air transports and 44 KC-10 cargo and tanker planes. But it will be five years before all are in service.

Poll in U.S. Finds Lack of Knowledge On Pipeline Stand

New York Times Service

NEW YORK — Only half of those questioned in a poll had heard or read of the U.S. effort to block construction of a natural-gas pipeline from Siberia to Western Europe and only 33 percent of all respondents could describe the U.S. position accurately.

The U.S. stand is supported by 48 percent of Americans familiar with the policy, according to a Gallup Poll released Saturday.

The poll showed opinion divided along partisan lines, with Republicans endorsing the government position 67 percent to 27 percent, and Democrats opposing it, 53 percent to 34 percent.

The questions asked refer to the U.S. refusal to allow the Western European allies to use U.S.-licensed technical equipment in building the pipeline. The main perceived disadvantage of the U.S. position is the damage it has caused in relations with the allies.

U.S.-Soviet Grain Pact Is Applauded by Block

By David Hoffman
Washington Post Service

WASHINGTON — Agriculture Secretary John R. Block says the acceptance by the Soviet Union of President Reagan's offer of a one-year extension of its agreement to buy grain from the United States may permit a "rebuilding" of the diminished U.S. share of the Soviet grain market.

The Soviet acceptance was delivered Friday in a written message to the U.S. Embassy in Moscow. It will be the second extension of the five-year grain sale agreement first negotiated in 1975. That agreement was interrupted partially by President Jimmy Carter's Jan. 4, 1980, grain embargo in response to the Soviet intervention in Afghanistan.

Mr. Reagan campaigned against that embargo and lifted it in April, 1981, but his decision on renewing the long-term agreement was complicated by the start of martial law in Poland in December.

Mr. Block, who had lobbied hard within the administration for another one-year extension, said Friday that the Kremlin's acceptance "will allow America's farmers to continue rebuilding this important market, which was thrown away to our competitors during the partial embargo imposed on U.S. agricultural sales to the Soviet Union in January, 1980."

The agreement obligates Moscow to buy 6 million metric tons of grain annually and allows it to purchase up to 8 million additional tons without permission from the United States.

While taking a hard line against the Soviet Union because of the crackdown in Poland, the Reagan administration has angered European allies by attempting to block the sale of U.S. technology and parts for a planned Soviet natural gas pipeline to Western Europe at the same time it has sought to increase grain trade with Moscow.



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speed
direction → 1 2 3

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Variant 2: moderate acceleration beyond the test speed and then deceleration to the required speed.

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and therefore at its optimum level of fuel consumption. In addition, fast acceleration enables the driver to change up into the higher, fuel-sparing gears more quickly.

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1/100 km
11.8
8
5.6
0 50 100 km/h

2 gear
3 gear
4 gear
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Herald Tribune

Published With The New York Times and The Washington Post

A First Step in Beirut...

From THE WASHINGTON POST

The beginning of the departure of the whole Beirut PLO apparatus from Lebanon represents in the first instance the freeing of a captive city from two months of terror. The PLO made the city an involuntary battleground; Israeli guns did most of the damage to it; a deadly "partnership" in its ending will give the long-suffering and immensely resourceful Lebanese the opportunity to start restoring the life that had made Beirut the most engaging and lively city in the Arab world. All those who are in a position to help the Lebanese in reconstruction — not just in Beirut but in the countryside — should turn promptly and generously to the task.

"Departure Day," as it is formally called in the plan ending the Beirut siege, is also a signal event in the life of Lebanon. It means, evidently, the beginning of the end of the hostile foreign occupation force that the PLO has been for nearly a decade. The removal of the PLO leaves two other foreign armies on Lebanese soil, Syria's and Israel's. Fortunately there seems to be a widespread determination to remove them, in time, as well. If that is done, Lebanon will be faced with the challenge — running its own affairs — that has proved exceptionally burdensome in the past. An early test of Lebanon's capacity for harnessing its disparate Christian and Moslem communities may come as soon as today, when the parliament is scheduled to select a new president. The one announced candidate, the Christian leader Bashir Gemayel, has in effect campaigned for Moslem support or at least tolerance by keeping at arm's length from his erstwhile Israeli patrons during Israel's most recent invasion.

The PLO could hardly have been expected to accept the ignominy of a forced departure and loss of its single military platform without seeking some political cover. This it has done by parading its endurance in battle and its intent to continue its struggle. To which responsible people can say: If you continue your struggle, it must be by political means — find a political course that is reasonable and realistic. Whether the PLO can hold together in the conditions of its new dispersion and speak effectively for its constituency and cause remains to be seen. So far, for instance, it has not even managed to address the question of the awful agony inflicted on its Lebanese hosts. That should come even before the question of accepting Israel.

For Israel, in turn, must come the question

of putting into effect the commitments to the Palestinians that it accepted at Camp David. There is a bruised, almost defiant tone to many Israeli pronouncements these days, to part perhaps a reaction to foreign criticism of its Lebanese operation.

The fact is, however, that most other countries have endorsed at least implicitly some though not all of Israel's purposes in Lebanon: to secure Israel's border, to rout the PLO, to restore Lebanon. Israel is a lot less isolated than it may feel at the moment. Its friends, especially the United States, must point this out to Israel by way of obtaining its cooperation in the difficult diplomatic stages to follow. The decimation of the PLO as a fighting force has a special meaning here. The Begin government may be tempted to see it as opening the way to full Israeli absorption of the West Bank. Others will see it, correctly, as reducing the risk for Israel in walking the Camp David path further.

On the United States inevitably falls its own mission of leadership. One part of it has already been discharged with consummate skill by Philip Habib, who arranged the departure process that got under way Saturday. It is largely thanks to him that a role for American troops has been found that is at once useful, giving American diplomacy a place in subsequent phases, and limited, arousing minimal resistance at home. The French and Italians are also participating responsibly in the multinational force overseeing the PLO's evacuation from Beirut.

The president and his new secretary of state have been moving cautiously but steadily and saying the right things. Mr. Shultz has secured new commitments from Israel's and Syria's foreign ministers promising the withdrawal of their countries' armies from Lebanon. These pledges do not end all danger of an Israeli-Syrian partition or condominium but they point in the right direction.

Mr. Reagan has confirmed his intent to stay true to his predecessor's Camp David promise to try to resolve the Palestinian issue "in all its aspects." This falls short of the immediate American endorsement of Palestinian "self-determination" that Egyptian President Mubarak is urging. Still, the important thing is that the United States, with its friends, sees the opportunities the Israeli invasion has created for treating to a careful, deliberate and unflinching way the root cause of the Arab-Israeli dispute.

...and the Next Goal

From THE NEW YORK TIMES

Philip Habib surely deserves the good night's sleep that Secretary Shultz prescribed for him, and far more. But it cannot be enough for the PLO finally to pull out of Beirut. All the foreign armies must soon be induced to pull out of all of Lebanon. There are other, larger goals for American policy in the Middle East, but until the outsiders leave it will be hard to pursue any of them. If it is inhuman to expect more from Habib, President Reagan must quickly find another master negotiator.

Israel has paid heavily as its war aims widened. No doubt there is hypocrisy in condemnation of Israeli violence on the part of countries that have been mute about PLO violence. Israelis must read with exquisite interest that some West German newspapers describe their invasion as a "war of extermination." Nonetheless, there is world anguish over the civilian casualties, anguish that has not yet exacted its full political price.

Whatever the extenuating arguments, Israel said initially that its forces would advance only 25 miles into southern Lebanon. Now they are virtually all over Lebanon. The longer they stay, the closer their alliance with the Maronite Christian forces becomes. And the closer that bond, the harder it will be to settle the older, deeper problem, the intramural Lebanon problem.

Though Lebanon is predominantly Moslem, even its Moslem population consists

of different factions. Though the Maronites are the largest group among the Christian minority, there are also Armenian and Greek Orthodox Christians. And even the Maronites are divided by clans, maintaining separate private armies.

If an acceptable neutral state and army could be established, the Israelis and Syrians would have a lot less at risk and might be coaxed into leaving. That is one reason for the United States to press ahead quickly with negotiations.

There is a second reason: the need to find a way to meet the permanent aspirations of the Palestinians. The PLO may be leaving, but until the foreign soldiers are gone, progress on this larger Palestinian question will probably be impossible. Shultz may hope for movement toward revival of the Camp David autonomy talks. Yet even if Israel is willing to talk while Lebanon remains in fragments, Egypt has already said it is not.

Getting the foreign troops out will require intense attention and the diplomacy of Habib or an equally adept successor. The obvious, appealing vehicle for such diplomacy is relief. There is blame enough to go around for its misery. Arabs and Israelis, Europeans and Americans should all share in a massive reconstruction effort. That effort cannot only rebuild homes but also provide the basis for rebuilding a viable Lebanese government — and sending all the foreign troops home.

Other Editorial Opinion

U.S. Nuclear Policy

Not for the first time, President Reagan's Washington has succeeded to simultaneously frightening and confusing friends and enemies alike over the future direction of American nuclear policy.

If the Reagan administration is seriously intent on encouraging a belief that nuclear war can be won, then it is on treacherous ground. Both America and Russia already have excessively large nuclear arsenals. To suggest that by adding to those arsenals a position can be created whereby victory is assured, is madness.

Obviously the clock cannot be turned back to a pre-nuclear period. What is needed is not

ill-thought-out saber-rattling but constant pressure for successful arms limitation talks coupled with deterrence at the lowest possible level of arms spending.

— The Times (London).

Predictably, the leaked Reagan master plan [has] been condemned as mad. Such reactions are understandable. Nevertheless, truth to tell, they miss the point. The whole theory of mutual deterrence depends on both sides believing that the other might actually be mad enough to push the button. Those not actually responsible for maintaining the peace can comfortably rage against this awesome logic [but] sweet reason has so far failed to find a better way.

— The Telegraph (London).

The Case for 'Hardheaded' Détente

First of two articles.

By Richard M. Nixon

NEW YORK — Foreign Minister Claude Cheysson of France said recently that the United States and its Western European allies were moving ominously toward a "progressive divorce," explaining that, "We no longer speak the same language."

Mr. Cheysson was specifically addressing the dispute over the Soviet pipeline, but his fundamental point was both profound and troubling.

There are sharp differences over how the West should deal with the Soviet Union. Ironically, those real differences are clouded by widely differing perceptions of one French word borrowed by Americans: détente.

The debate over détente has become so charged with emotion that substance gives way to semantics. To many Americans, détente has become a dirty word, virtually synonymous with appeasement. To most Europeans, it is a good word. To them it describes a period in the early and middle 1970s when tensions between East and West were lessened and when there was more trade, more contact, some liberalization in Eastern Europe, and, above all, a reduced danger of nuclear war.

American critics of détente, by contrast, look with horror at all the Soviet advances of the last decade. They see Soviet attainment of superiority in land-based nuclear weapons, an extension of Soviet domination over Southeast Asia, Angola, Ethiopia, Yemen, invasions into Latin America, the brutal oppression of Afghanistan and the cruel snuffing out

of Poland's flickers of freedom. This, they say, proves détente a costly failure. They argue, correctly, that the Soviet leaders lie, cheat, steal and are out to impose their oppressive system on the whole world, and from this they conclude that the only safe course is to restore U.S. nuclear superiority, cut back contacts and attempt to strangle the Soviet Union economically.

This argument misses the point of détente. It misreads history and it would deprive the West of some of our most potent weapons to the East-West struggle.

The failure was not of détente but rather of the management of détente by U.S. policy-makers.

First, let us be clear about what détente is and is not. There are two concepts of détente, which I call hardheaded and softheaded.

Softheaded détente — the willowy, handwringing, flower-power kind — is not a policy at all, to the sense that a policy is a formula for the use of power. When I speak of détente I mean the hardheaded kind: détente with deterrence. This is based on a strength of arms and strength of will sufficient to blunt the threat of Soviet blackmail, combined with a mixture of prospective rewards for good behavior and penalties for bad behavior that gives the Soviet Union a real incentive for moderation. Softheaded détente — appeasement to disguise — invites Soviet expansion by reducing its cost. Hardheaded détente raises the cost of adventurism and thus en-

courages the Russians to negotiate. As we practiced it in the early 1970s, this hardheaded détente worked. During that period, no one nation was lost to the Soviet bloc. Under pressure from us, the Soviet Union retreated from its attempt to establish a nuclear submarine base at Cienfuegos in Cuba, it backed away from its support of India's attempt to gobble up West Pakistan, it abandoned its threat to send Soviet forces into the Middle East during the Arab-Israeli war of 1973.

On May 8, 1972, on the eve of my first summit meeting with then-General Secretary Brezhnev, I ordered the bombing and mining of Haiphong, in North Vietnam. Those who did not understand hardheaded détente thought it would torpedo the summit. They were wrong. It strengthened my hand and helped pave the way for a broad range of agreements. This hardheaded détente is not a love affair. It does not mean that we and the Soviet Union agree. Rather, it means that we profoundly disagree. What it provides is a means of peacefully resolving those disagreements that can be resolved, and of living with those that cannot.

I have had more extensive personal dealings with the top Soviet leadership than any other American president. Mr. Brezhnev and I held three summit meetings — in 1972, 1973 and 1974. He and I regularly climbed champagne glasses to celebrate agreements. We smiled at one another in public. We became, at times, quite

cordial in private. But we also bargained hard, and neither of us expected the other to give up anything of substance out of sheer good will. We recognized that our two countries were locked in competition, and each of us was determined to protect his own country's interests, which made it mutually advantageous for us to compromise or otherwise resolve an increasing range of our competing interests.

Our central common interest was to ensure that our differences did not lead us into a shooting war. With tragic frequency, wars result from miscalculation. We were able to reduce that danger.

Many critics of détente tend to regard U.S.-Soviet relations as a zero-sum game, to suppose that a gain for one can be achieved only at the expense of the other. But this is not so. Properly conceived and balanced arms limitations can benefit both sides. Expansion of trade, on a strictly nonsubsidized, businesslike basis, can benefit both sides. Preventing war through miscalculation can benefit both sides.

From the U.S. standpoint, détente has an added advantage: It is a means not only of avoiding armed conflict but also of engaging the Soviet Union in those fields in which the United States has an overwhelming advantage.

Whether or not we agree with Clausewitz that war is the carrying on of political relations by other means, in a nuclear age the two principal competing powers must channel their competition into other means than



war. That competition will continue. It is to our interest to direct it to those arenas in which we are strongest. We no longer outdo the Russians, but we do outproduce them, and we clearly outdo them in providing what people all over the world want: freedom, abundance, the chance to live in peace and let the human spirit thrive.

The more we retreat into an angry, cold war confrontation, the more we reduce the competition to those levels on which the Soviet Union is strongest. The one thing the Kremlin is good at is wielding raw power, through military might and terror tactics. Where the contest is waged on that ground, Moscow has the advantage. Where we shift it to other grounds, the United States has the advantage.

Détente is a means of broadening the competition, expanding countries opening the way to Western ideas and Western influence, weaving a web of economic interdependencies that raise the cost to the Soviet Union of stepping beyond the bounds of acceptable behavior. Those critics who would have us scuttle détente and return to narrow confrontation are urging a form of unilateral disarmament. They would deprive us of many of our most effective diplomatic weapons.

The Soviet Union has desperate economic problems. Looking at these, some analysts argue that if we just squeeze the Russians economically, the regime will collapse and will be replaced by a less oppressive one. This misreads history, and it misreads the nature of the Soviet dictatorship. Squeezing Russia economically did not work when the Communists first came to power, when their problems were far worse, and it did not work now. Rather than decreasing repression, it would increase it. An oppressive dictatorship is strengthened, not weakened by external confrontation.

Cardinal Rule

This does not mean that we should do nothing when the Russians resort to actions that threaten our interests. It does mean that if we do have significant economic relations with them, we may be able to act effectively. A cardinal rule of diplomacy is that you can't get something from your adversary unless you have something to give or something to take back.

In the broader context of détente, with an intricate mixture of both positive and negative incentives, the Soviet Union will respond. As it did in the early 1970s, it will moderate its behavior.

The West must restore the nuclear military balance so that it will not be subject to Soviet nuclear blackmail. We must establish a credible link between the two sides that the Soviet Union wants and the general patterns of Soviet behavior.

The practice of annual U.S.-Soviet summit meetings should also be resumed. These increase the chance that agreements can be reached, by increasing the pressure on lower-level officials to narrow differences before the annual deadlines. But even when nothing of importance is agreed to, regular summits serve two valuable purposes. First, when the leaders of the two major powers know each other, the possibility of war by miscalculation is reduced. And second, the very fact that a summit is approaching tends to inhibit the Soviet Union from engaging in adventurous practices beforehand.

We can call this peaceful competition. We can call it waging a struggle by nonmilitary means. We can call it détente. Whatever we call it, it is better than the alternatives of either stalemate or nuclear conflict.

Tuesday: The Soviet gas pipeline dispute.

The New York Times

A 'Mysterious' Silence on Nicaraguan Rights

By Elliott Abrams

WASHINGTON — Congress, the executive branch and the human rights organizations have just completed extensive reviews of the human rights situation in El Salvador, in connection with the "certification" of human rights progress there.

Both the House and Senate foreign relations committees held hearings; several human rights groups issued reports, including a 272-page report produced jointly by two such groups; and all of this was important enough to be featured on television news programs. The human rights picture in El Salvador warrants this attention. But an equally serious question in nearby Nicaragua has received only scant attention.

This is true even though the last few weeks have seen an extraordinary deterioration there. The new developments come against a background of reports of torture, continuing government harassment of the Nicaraguan Human Rights Commission and continuing violence against Indian tribes, which has resulted in the flight from the country of several hundred Sumo Indians in recent weeks.

Now, here are some of the major incidents of the last few weeks alone:

• The bishop of the Atlantic Coast province, who has been harassed repeatedly by the Sandinistas, was once again detained.

• The Sandinistas prohibited publication of a pastoral letter from the pope to the bishops of Nicaragua. For two weeks, La Prensa was forbidden to publish the letter, which had been read in churches throughout the country on Aug. 1, and the church's radio station was forbidden to read it on the air. Because of this dispute, La Prensa was not printed for several days.

• On Aug. 9, more than 20 churches belonging

to several Protestant sects were seized by the Sandinistas "neighborhood committees," whose spokesmen said the churches were in contact with the Central Intelligence Agency and working for the counterrevolution.

When the Nicaraguan archbishop replaced a parish priest who was working closely with the regime, an organized mob gathered at the church. When the archbishop of Managua came to the scene, he was beaten up by the mob. The archbishop has excommunicated all those involved in the beating.

• The head of the church's radio station, a priest, was forced to disrobe at gunpoint by Sandinista police and was marched naked through the streets of Managua to jail. Pictures of the naked priest were shown on the government television station and printed in the Sandinista press. The Sandinistas said he had been caught to a love triangle; when La Prensa tried to print an interview with the priest, the story was censored.

• In the last week, violent clashes in Masaya between Sandinista mobs and Catholic school students and their supporters have resulted in three deaths, and mobs have twice tried to attack Archbishop Obando y Bravo.

All of these events have taken place since the beginning of July, and no one can doubt the pattern that they form: The Sandinistas have decided on a tremendous increase in pressure on organized religion in Nicaragua.

Where are the protests? Does anyone doubt that a series of events half as serious in El Salvador would be front-page news? Does anyone doubt that human rights groups would be clam-

oring? They would be right to do so, and the silence over events in Nicaragua is deeply troubling. The State Department receives protests and inquiries regularly from human rights groups about events in countries such as El Salvador and Chile; to date we have not received one inquiry about this attack on religion in Nicaragua.

Now, some people in the human rights movement and in the churches are simply pro-Sandinistas. They believe Nicaragua has a "progressive" regime. To judge by their behavior, many are simply unwilling to apply to "progressive" countries the same severe standard they apply to nations whose governments they do not support.

For the human rights movement, Nicaragua, where the Sandinistas have co-opted all of the language and symbols of social revolution and progress, is a crucial test. Those who insist on examining El Salvador with a microscope, while seeing no evil in Nicaragua, are undermining the claim of the human rights movement to be interested in people rather than in politics.

Yet this does not explain the attitude of the many who have no political bias toward the Sandinistas: their silence is a true mystery. Is it indifference in a country not aligned with the United States? A desire to avoid criticizing a country other than human rights activists' excuse? Simple lack of information?

The fact remains that the silence is deafening. And while it continues, churches and clergy in Nicaragua will be subjected to increasing menace.

The writer is assistant secretary of state for human rights and humanitarian affairs. He contributed this report to the Washington Post.

Taiwan Arms Agreement: Not the Last Word

By Michael Parks

PEKING — Since the United States and China began their rapprochement a decade ago, they have been bedeviled by the Taiwan problem — Peking's desire to bring the island under its authority vs. American support for the Chinese Nationalists who still control it — and last week's agreement limiting U.S. arms sales to Taiwan is not likely to resolve the problem.

In agreeing to limit the quantity and quality of the weapons it provides the Nationalists and to reduce these sales gradually, the Reagan administration broke the stalemate over the most difficult issue in Sino-American relations and avoided the downgrading of those relations that Peking had threatened with considerable vehemence over the past 18 months.

This was a significant U.S. concession. Peking paid for it with its first formal pledge to pursue a peaceful resolution of the Taiwan problem.

Washington also strongly endorsed Peking's repeated — and so far rejected — overtures to Taiwan to discuss reunification and end the Chinese civil war. Although President Reagan declared that the United States would not force Taiwan into such negotia-

tions and supported the "free choice of...the people of Taiwan," the agreement constitutes the strongest political and psychological pressure on Taiwan since Washington recognized the Communist regime in Peking.

But China did not obtain the U.S. commitment to halt all arms sales by an agreed date, as it had demanded at the outset of 10 months of tough negotiations, nor did it get the veto it had sought over what weapons the United States would provide.

The administration also resisted its own early impulses to take on the role of mediator.

The United States, on balance, probably gave a bit more than it got. But it was mostly interested in arresting the sharp deterioration in relations that began two years ago with Ronald Reagan's presidential candidacy and his advocacy of closer links with Taiwan.

However, the carefully balanced compromise in the agreement piled up potential problems for the future:

• No timetable was worked out

for the gradual reduction of arms sales, according to Americans involved in the talks, nor was there agreement on the quantitative and qualitative limits Washington pledged to observe. American and Chinese officials differed sharply even as the joint communiqué was issued on terms for eventually ending all sales.

These ambiguities, though necessary to reach an interim agreement, are certain to bring the arms-sale issue back again and again. And the efforts to resolve future problems will, despite Reagan administration denials, put the United States in the position of negotiating with Peking the type and amount of weapons it provides Taiwan.

Washington emphasized in its presentation of the agreement that it links the arms issue with the overall "peaceful resolution" of the Taiwan problem by the Chinese themselves: If Peking does not threaten Taiwan, then there will be less and perhaps no need for U.S. weapons sales. Peking, however, not only said there was no link but rejected the U.S. interpreta-

tion of the agreement as continued "interference" in China's internal affairs. And on Taiwan, Nationalist officials said the United States had been duped by Communist propaganda and repeated their determination never to negotiate with Peking.

The Taiwan Relations Act, adopted by Congress in 1979 to govern continued U.S. relations with Taiwan, remains a major point of controversy between Washington and Peking. Reagan administration officials pledged that the act's provisions would be honored despite the new agreement with Peking; Chinese officials again denounced it and Taiwan said the act's letter and spirit had been violated.

With the truce agreed on the arms sale issue, the act will very likely become Peking's principal target. American diplomats believe, "The Chinese will not shut up about the TRA until it is repealed or amended into welfare legislation for refugee Nationalist generals, and neither is a serious prospect."

Chinese and U.S. negotiators here knew they were mortgaging the future with such problems, according to participants in the talks, but were would have been enough in the meantime so that difficulties could be handled when they arose.

The two nations also were motivated by the shared perception that some agreement, if only an interim one, was needed on the issue to avoid further deterioration in relations.

Over the past two years — since Taiwan emerged as an issue in the 1980 presidential campaign — the character of the Chinese-U.S. rapprochement has changed significantly. The visions of a Sino-American alliance, hearty as they were, have given way to scaled down, and probably more realistic, expectations on both sides, and the warm and openness that came when diplomatic relations were established Jan. 1, 1979, have yielded to caution, sensitivity to criticism and bickering.

Although perhaps these changes were inevitable given the fundamental political, social and economic differences between China and the United States, they were certainly hastened by the prolonged impasse on the arms-sale issue and the intense emotions it often generated on both sides.

Both the United States and China say they now want to get on with developing their relations now that they have an understanding on the Taiwan problem, but the relationship is not the same as it was when all this arose," said an Asian diplomat. "The two countries certainly know each other better after all this, and knowing each other better, as sometimes happens, they may not want to be so friendly."

The author, a freelance journalist based in Mexico City, contributed this

AUG. 23: FROM OUR PAGES 75 AND 50 YEARS AGO

1907: Filipino Unrest

PARIS — Today's editorial in the Herald reads: "Some uneasiness has been created in Manila by the flaming of the revolutionary flag in native gatherings and processions of late. This uneasiness is not altogether groundless. The Filipinos are a somewhat excitable race with an overwhelming idea of their own capabilities and a rudimentary respect for law and order. It would be the height of imprudence for the American authorities to wink at the recurring display of seditious emblems and to permit the independent demagogues to indulge in inflammatory harangues. A meeting of American residents has been called to devise a way of combating the thinly veiled revolutionary movement."

1932: Hitler's Policy

PARIS — Today's editorial in the Herald reads: "The announcement of a Hitler foreign policy to be based upon alleged racial affinities, with propaganda in Holland and Scandinavia as a prelude to it, will be received as a decidedly amusing item of news. The anti-Semitic aspect of Hitlerism has been duly discounted in Germany by Nazi leaders as an appeal for votes to a medieval-minded peasantry. The 'Aryanism' of the movement is still safer, because the term is so elastic that it means anything linguistically it means nothing racially. A scientific survey of the German Nazis would almost certainly exclude Herr Hitler himself from the company of the Nietzschean elect."

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رامن القحيل

Divided and Frustrated, Namibians Are Skeptical of Independence Talks in N.Y.

By Alan Cowell
New York Times Service

WINDHOEK, South-West Africa — Within the rim of other hills that contain South-West Africa's capital, there are many who claim to speak for one constituency or another, but none who have a direct voice in the talks under way in New York on their future and on the fate of this arid territory.

Resentment at the exclusion of the "whites" from the talks, and the frustration of the "whites" at the exclusion of the "blacks," are the two main reasons why the talks are being held in New York.

Yet, particularly among the

75,000 whites, the ideas and alternatives being sought to reassure a grip on their own destiny — expressed through such terms as "internal settlement" and "unilateral declaration of independence" — seem certain to further distance those whose voices go unheeded from those the whites need to influence.

Prism of History

And, through the prism of recent history, the "whites" putative solutions are of the same mold as other attempts elsewhere that were designed to prolong minority influence under the mantle of democracy.

At a recent count, there were 45 political groups in South-West Africa, widely known as Namibia.

Organization, or SWAPO, which is led by Sam Nujoma and is fighting a low-key guerrilla campaign from bases in southern Angola against South African dominance of the territory's economic, military and political life.

The insurgents are represented at the negotiations to New York, where the United States, Britain, Canada, France and West Germany are seeking a settlement that will enable the United Nations to supervise a cease-fire and elections in this former German colony and so bring independence.

There is, however, widespread skepticism among political groups here about whether the talks will succeed, and many have directed their thoughts at alternatives to an internationally orchestrated settlement.

"People are very pessimistic

about a solution," said Dr. Ben Africa, a man of mixed race who belongs to the Democratic Turnhalle Alliance. This group, based on 11 separate ethnic and racial groups, came to be the nominal government of the territory through elections in 1978. But the elections won no international recognition because they were supervised by the insurgents and were based on racial separation.

Among the options being listed were the formation of a "government of national unity" among the territory's fractured groups and, "very much as a last resort," a unilateral declaration of independence, the mechanism by which the whites of what was then Rhodesia, now Zimbabwe, sought to stem black nationalism in 1965.

The chairman of the Council of

Ministers drawn from the alliance, a white rancher named Dirk F. Mudge, voiced anger that "only SWAPO is consulted" at the New York negotiations. He said he still hoped for an internationally blessed settlement, but should the talks collapse, then the "people of the country" should "come together and decide what they want."

"Fight to the Bitter End"

Jannie de Wet, a leader of the National Party, which speaks for the Afrikaner majority among the whites, said: "The only way to stop SWAPO is to fight to the bitter end," putting forward the view that an insurgent victory would be a Soviet triumph in a global contest.

A victory by the insurgents, he said, would bring "chaos, bloodshed, poverty, hunger and

thirst," and Namibia, much of it desert, would become "the poorest country in Africa."

In this analysis an alternative must be found that would "safeguard minority rights," a term that has been used elsewhere in Africa as the code for continued white influence in the rearward actions against majority rule.

The solution, Mr. de Wet said, would be for each racial group to choose its own leaders, look after its own affairs, but have equal representation at the national level.

Mr. de Wet said he put his "internal-solution" plan to the negotiators recently, but was rejected. He predicts that there will be a mass exodus of whites with their money and skills because "they will not be prepared to live under a Marxist government and a SWAPO government."

Such utterances have been frequent in African countries before independence that nonetheless have maintained a white presence under black rule.

Common to thoughts of an internal settlement is the acknowledgment that it could only be fostered under protection of the South African Army. That, in itself, would probably further the insurgent cause.

"SWAPO is seen as good because it opposes South Africa, which represents everything bad,"

said Otilie Abrahams, secretary-general of the small National Independence Party, alluding to perceptions of the black majority.

The insurgents draw most of their support from the Ovambo tribe, which accounts for just over half the population. But Mrs. Abrahams said the guerrilla organization has fanned expectations among the black majority to levels that cannot be fulfilled and has failed to implant national unity before independence.

Some of the other tribal and racial groups not included under Mr. Nujoma's banner, Mrs. Abrahams said, are being armed under a conscription system in South-West Africa.

Critics in Turkey Warn New Draft Constitution Allows for Repression

By Hugh Carey
Reuters

ANKARA — A clamorous and sometimes acrimonious debate is going on in Turkey over a draft constitution published as the blueprint for the country's return to democracy.

The 200-article charter has been widely criticized as envisaging a potentially repressive system ruled by a powerful president, and as being too long and poorly thought out.

But time is not on the side of those who want major changes. The military-appointed National Consultative Assembly, which approved the draft in principle last week despite many criticisms, Members appeared to realize that a rejection could set back the military regime's promise to hold elections for a new government by the first half of 1984.

Referendum in November

The assembly will debate the document article by article, but it must produce a final version in time for a national referendum on the constitution in November.

Diplomats and political commentators say that for this reason the draft's central elements will almost certainly remain intact until then, although some parts may be revised or even dropped.

The draft was drawn up by a 15-member Constitutional Commission chaired by Orhan Aldikaci, a law professor. Political and diplomatic sources say the commission was not pressured by the regime.

The constitution would replace one imposed after a military coup in 1961 that set up a bicameral parliament with a largely ceremonial president. That constitution was abolished after the coup that brought the military to power in September, 1980.

Presidential Powers

The draft provides for an executive president as head of state. He would be elected to a five-year term by universal suffrage.

The president would appoint the premier, not necessarily from within parliament, and would preside over the Cabinet. He could rule by decree if a state of emergency were declared.

He would also have the right to dismiss the premier and dissolve parliament.

The draft also envisages a state consultative council appointed

mainly by the president. That body would advise him and a national security council as a kind of inner cabinet. It would include senior military figures whose recommendations would be binding.

Under the draft, personal rights and freedoms and press freedoms could be suspended to protect the integrity of the state.

Curbs on Parties

Political parties based on Communism, fascism, religion or any form of dictatorship would be banned, and trade unions would be barred from taking part in political activity.

When it was first published in July, the draft drew hostile comment from newspaper columnists. Thirteen of the 15 Constitutional Committee members said they were dissatisfied with it, and Consultative Assembly members expressed anger over a newspaper report quoting Mr. Aldikaci as saying that all those who criticized the document were ignorant.

He denied the statement, but the newspaper insisted that he had made it. Several politicians said the comment showed that they were being forced to accept a constitution that they said placed no trust in the people.

Critics also said the draft placed potentially repressive restrictions on personal freedom, gave too much power to the president and was dangerously confused about the interaction of the various bodies it envisaged.

Vagrancy Provision Assailed

They also assailed it for its length and for the inclusion of such subjects as the color of the national flag, resolutions to help the aged and to promote physical fitness and a clause allowing for the jailing of vagrants.

A magazine said that if the vagrancy provision were interpreted as meaning those without a regular home or source of income, as many as five million people could be imprisoned.

But many members of the assembly expressed general support for the draft, saying it envisaged a strong government that would prevent a return to the days before the military coup. During the early part of 1980, as many as 25 people were dying daily in political violence.

Leftist sources said the draft could cause more violent upheaval in the future.

News Agency Reform Disputed in Portugal

By Rob Roy Buckingham
New York Times Service

LISBON — Premier Francisco Pinto Balsemão is seeking to replace the national press agency, ANOP, with an independent cooperative news agency free of state control. But the effort is opposed by Portugal's president, António Ramalho Eanes, and a number of journalistic groups that question whether the new agency would actually be free of government control.

The decree to close Agência Notícias Portuguesa must be signed by Gen. Eanes before it can take effect. Last Thursday, the president told Theo Bogart, secretary-general of the International Federation of Journalists, and Gerard Quinton, the federation's vice president — who were here in support of ANOP — that he would not sign because he was not satisfied with the official explanation for the government's action.

If the president should veto the decree, Mr. Balsemão's government would need a two-thirds majority in the 250-seat Assembly of the Republic to override.

Mr. Bogart and Mr. Quinton said at a news conference that they suspected there were "hidden reasons" for the government's action because they believed none of the reasons given by government officials in a series of meetings justified closing the agency.

The campaign to close ANOP started about a month ago. It was led by José Afonso, secretary of state for social communications, who is Portugal's chief of press, radio and television.

Mr. Afonso said that the agency was overstaffed with 259 employees, that it was a heavy money-loser, that it distorted the news, and that it retained Communist influence from the days when it was created by the Marxist government that came to power in 1975 after the Portuguese revolution.

Jaime Anunciação, a senior official

had complained to the board of directors several times about overstaffing, but successive boards had ignored the complaints and had added friends and relatives to the staff.

He denied that the service distorted news or was Communist-influenced. "Most of our journalists are Socialists or Social Democrats," he said. "We only have five Communists."

He said the agency has 138 journalists and 121 technicians and administrative staff members.

Mário Mesquita, editor of the influential newspaper *Diário de Notícias*, has taken a strong position in his editorial columns against the attempts to close the agency. He questioned whether the new agency would be entirely free of government control so long as the government had the power to name the boards of the public companies that would form the cooperative.

The Portuguese press in general retains the Marxist-imposed structure. The news media were grouped into public companies, each with several publications. Of the 70 daily newspapers in Portugal, only six are privately owned.

The new agency, to be called Notícias de Portugal, would have a staff of 123 and a first-year budget of \$2,142,000.

Cardinal



A crowd gathers around a floral cross in Warsaw's Castle Square. It is one of two crosses that were set up after authorities objected to protests held around another one in Victory Square.

Riot Police Disperse Warsaw Crowd Demonstrating at New Floral Cross

The Associated Press

WARSAW — Riot police threatening to spray a water cannon dispersed several hundred people who had gathered peacefully Saturday night on Warsaw's Victory Square on the outskirts of the city's Old Town.

The protesters were gathered at a 20-foot floral cross built earlier in the evening. They were just a few blocks from Warsaw's Victory Square, which had been the main protest gathering place until Friday, when authorities sealed it off to the public with a wooden fence.

When riot police positioned a dozen vehicles and the water cannon at Castle Square, the crowd broke up. But about 300 Poles sang religious songs and hymns at a second floral cross outside St. Ann's Church nearby.

Official's Warning

Another 1,000 people watched the scene from the sidewalks. Police checked documents of some passers-by, but there were no incidents and there were no reports of arrests or detentions.

Also on Saturday, a Polish deputy premier asserted that the martial-law regime will confront domestic opposition with "nerves of steel," as authorities intensified their campaign to disperse Poles

from joining the peaceful protests called for by Solidarity.

Mieczyslaw Rakowski, who was the regime's principal negotiator with Solidarity before martial law was imposed more than eight months ago, asserted in a published interview that clandestine union officials "live in a world of their imagination," adding:

"If Solidarity activists think the time will come when they will be able to put authority on its knees... they are mistaken."

Mr. Rakowski also declared in the interview, with Zycie Warszawy:

"The extremists of the suspended union... want to prove that they present an influential political force, which can impose its solutions. One thing is certain — the [regime] will preserve nerves of steel and will react resolutely... to preserve law and order."

Reporter's Papers Suspended

The New York Times News Service reported from New York that the Polish government had suspended for three days the accreditation of John Darton, the Times's correspondent in Warsaw.

Mr. Darton was called in and informed that the government had disputed some of the facts in a dispatch reporting mistreatment of inmates at a detention center in northern Poland on April 14.

Spadolini Plans to Present List of Ministers on Monday

Compiled by Our Staff From Dispatches

ROME — Premier-designate Giovanni Spadolini said Saturday that he would give President Sandro Pertini on Monday a list of proposed Cabinet ministers for Italy's 42d government since World War II.

The list of ministers to replace Mr. Spadolini's previous coalition Cabinet, which collapsed earlier this month, is expected to go to parliament by midweek for the required vote of confidence.

Meets Party Leaders

The announcement was made as Mr. Spadolini, leader of the small Republican Party, ended two weeks of consultations with political leaders on economic and institutional reforms and finally won the Socialist Party's agreement to forge a new coalition.

Mr. Spadolini held a meeting Friday night with leaders of the five parties that he hopes to include in the new government and

then spoke with them informally on Saturday.

In addition to economic issues, the talks centered on the distribution of Cabinet seats among the Christian Democrats, Socialists, Social Democrats, Liberals and Republicans.

The five-party coalition collapsed Aug. 7 when the Socialist Party withdrew in a squabble with the dominant Christian Democrats over a Socialist-sponsored tax bill that was defeated in Parliament.

Mr. Pertini quickly appointed Mr. Spadolini to form a new government in an effort to avoid holding national elections two years ahead of schedule. The Socialists agreed to rejoin the coalition after extracting promises of parliamentary reform and another vote on the defeated tax bill.

Mr. Spadolini's breakthrough left unresolved the problem of mutual enmity between the Christian Democrats and Socialists, political sources said.

Kenya's Air Force Is Disbanded After Coup Attempt Against Moi

Reuters

NAIROBI — President Daniel Arap Moi has formally disbanded the Kenyan Air Force, most of whose personnel have been in custody since they attempted a coup against Kenya's pro-Western government Aug. 1.

An announcement from the president's office on Saturday said that the air force was being disbanded because of its rebellion and that a new air force would be formed under the command of Maj. Gen. M. Mohamed. Gen. Mohamed, believed to be from Kenya's ethnic Somali minority, played a key role at the head of loyalist troops who crushed the Aug. 1 rebellion.

Informed sources said he personally led the forces that recaptured the Voice of Kenya radio station, from which the rebels broadcast statements announcing President Moi's downfall.

As many as 2,000 air force men were being held pending court-martial, the sources said. The force is believed to have had about 2,500 men before the rebellion.

The rebellion was led by the air force ground support unit, which is trained in infantry tactics to protect bases and key installations. Several fighter aircraft flew over Nairobi during the revolt, and it is still not known whether their pilots were demonstrating in favor of or against the revolt.

The pilots of a transport aircraft were forced to fly to Tanzania by a sergeant and a private who are to stand trial there for kidnapping.

The backbone of the Kenyan Air Force is a squadron of U.S.-built F-5 Freedom fighters. There is also a unit of Strikemaster aircraft for anti-guerrilla operations.

Whether these units are still active is not clear, but transport aircraft of the Kenyan Air Force are now seen frequently over Nairobi.

News of the air force disbandment coincided with announcement of the dismissal "in the public interest" of Ben Gethi, the police commissioner. The dismissal of Mr. Gethi, thought to have been one of the men who pursued fugitive rebels most energetically, did not have political overtones, diplomatic sources said.

He is being replaced by Bernard Njumu, formerly head of the presidential escort.

LOOK INTO SINGAPORE 1986

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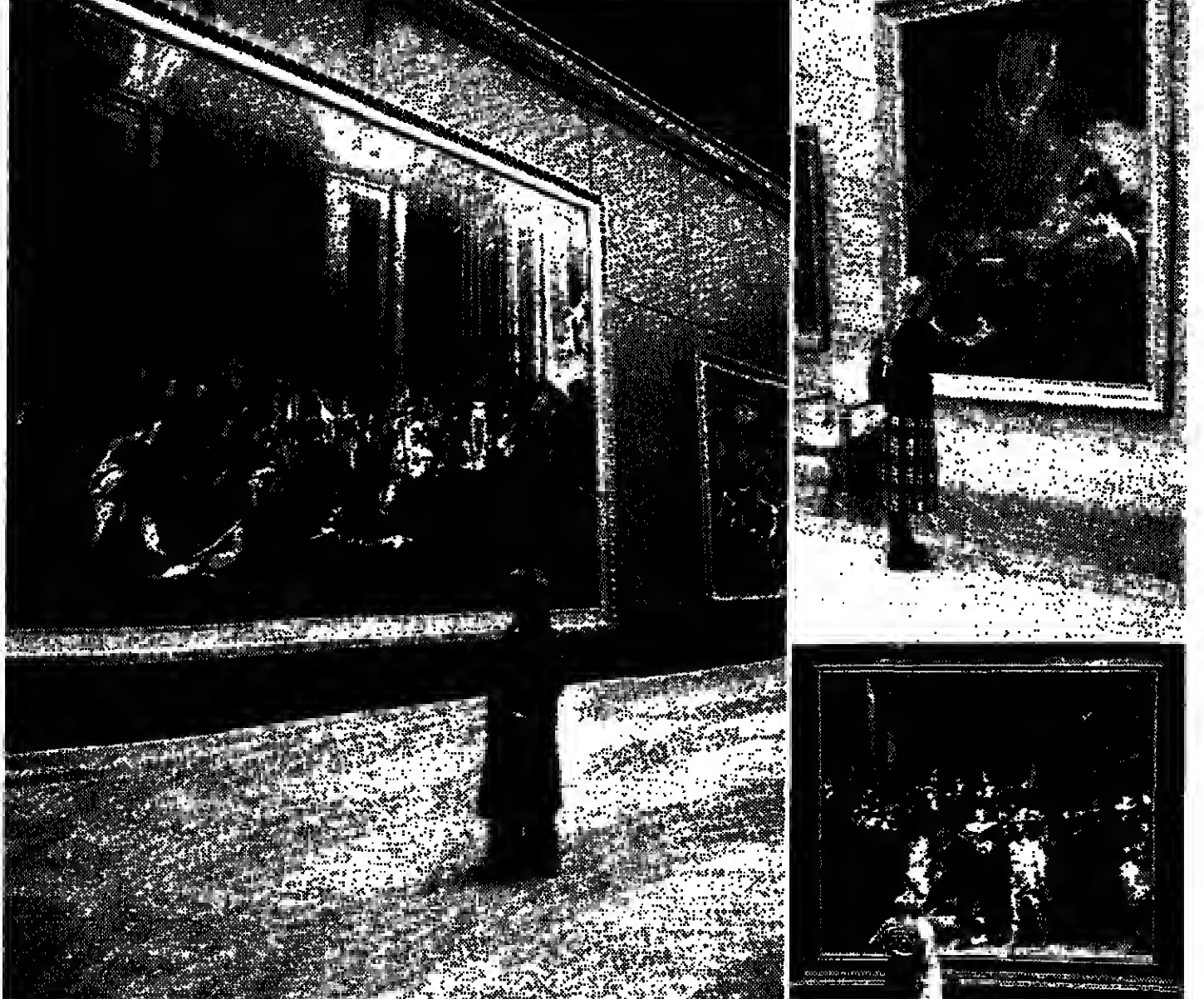
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Save on surcharges. Many hotels outside the U.S. charge exorbitant surcharge fees on international calls. And sometimes the fees are greater than the cost of the call itself. But if your hotel has TELEPLAN, the way to keep hotel surcharges reasonable, go ahead and call. No Teleplan? Read on!

There are other ways to save money. Save with a shortie. In most countries there's no three-minute minimum on self-dialed calls. So if your hotel offers International Dialing from your room, place a short call home and have them call you back. And you pay for the callback from the States with dollars, not local currency, when you get your next home or office phone bill.

Save these other ways. Telephone Company Calling Card and collect calls may be placed in many countries. And where they are, the hotel surcharges on such calls are usually low. Or, you can avoid surcharges altogether by calling from the post office or from other telephone centers.

Save nights & weekends. Always check to see whether the country you're in has lower rates at night and on weekends. Usually the savings are considerable. Now you have the whole picture.

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International Bond Prices — Week of Aug. 19

RECENT ISSUES																			
Amr Security										Amr Security									
City Issue Pr. Mkt Pr. Yield										City Issue Pr. Mkt Pr. Yield									
5300	Deutsche Bank Pln	100	101 3/4	9.85						5301	Deutsche Bank Pln	100	101 3/4	9.85					
5301	10 1/2% 1989 Jan	100	78 3/4	9.85						5302	10 1/2% 1989 Jan	100	78 3/4	9.85					
5302	10 1/2% 1989 Jan	100	78 3/4	9.85						5303	10 1/2% 1989 Jan	100	78 3/4	9.85					
5303	10 1/2% 1989 Jan	100	78 3/4	9.85						5304	10 1/2% 1989 Jan	100	78 3/4	9.85					
5304	10 1/2% 1989 Jan	100	78 3/4	9.85						5305	10 1/2% 1989 Jan	100	78 3/4	9.85					
5305	10 1/2% 1989 Jan	100	78 3/4	9.85						5306	10 1/2% 1989 Jan	100	78 3/4	9.85					
5306	10 1/2% 1989 Jan	100	78 3/4	9.85						5307	10 1/2% 1989 Jan	100	78 3/4	9.85					
5307	10 1/2% 1989 Jan	100	78 3/4	9.85						5308	10 1/2% 1989 Jan	100	78 3/4	9.85					
5308	10 1/2% 1989 Jan	100	78 3/4	9.85						5309	10 1/2% 1989 Jan	100	78 3/4	9.85					
5309	10 1/2% 1989 Jan	100	78 3/4	9.85						5310	10 1/2% 1989 Jan	100	78 3/4	9.85					
5310	10 1/2% 1989 Jan	100	78 3/4	9.85						5311	10 1/2% 1989 Jan	100	78 3/4	9.85					
5311	10 1/2% 1989 Jan	100	78 3/4	9.85						5312	10 1/2% 1989 Jan	100	78 3/4	9.85					
5312	10 1/2% 1989 Jan	100	78 3/4	9.85						5313	10 1/2% 1989 Jan	100	78 3/4	9.85					
5313	10 1/2% 1989 Jan	100	78 3/4	9.85						5314	10 1/2% 1989 Jan	100	78 3/4	9.85					
5314	10 1/2% 1989 Jan	100	78 3/4	9.85						5315	10 1/2% 1989 Jan	100	78 3/4	9.85					
5315	10 1/2% 1989 Jan	100	78 3/4	9.85						5316	10 1/2% 1989 Jan	100	78 3/4	9.85					
5316	10 1/2% 1989 Jan	100	78 3/4	9.85						5317	10 1/2% 1989 Jan	100	78 3/4	9.85					
5317	10 1/2% 1989 Jan	100	78 3/4	9.85						5318	10 1/2% 1989 Jan	100	78 3/4	9.85					
5318	10 1/2% 1989 Jan	100	78 3/4	9.85						5319	10 1/2% 1989 Jan	100	78 3/4	9.85					
5319	10 1/2% 1989 Jan	100	78 3/4	9.85						5320	10 1/2% 1989 Jan	100	78 3/4	9.85					
5320	10 1/2% 1989 Jan	100	78 3/4	9.85						5321	10 1/2% 1989 Jan	100	78 3/4	9.85					
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5322	10 1/2% 1989 Jan	100	78 3/4	9.85						5323	10 1/2% 1989 Jan	100	78 3/4	9.85					
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5324	10 1/2% 1989 Jan	100	78 3/4	9.85						5325	10 1/2% 1989 Jan	100	78 3/4	9.85					
5325	10 1/2% 1989 Jan	100	78 3/4	9.85						5326	10 1/2% 1989 Jan	100	78 3/4	9.85					
5326	10 1/2% 1989 Jan	100	78 3/4	9.85						5327	10 1/2% 1989 Jan	100	78 3/4	9.85					
5327	10 1/2% 1989 Jan	100	78 3/4	9.85						5328	10 1/2% 1989 Jan	100	78 3/4	9.85					
5328	10 1/2% 1989 Jan	100	78 3/4	9.85						5329	10 1/2% 1989 Jan	100	78 3/4	9.85					
5329	10 1/2% 1989 Jan	100	78 3/4	9.85						5330	10 1/2% 1989 Jan	100	78 3/4	9.85					
5330	10 1/2% 1989 Jan	100	78 3/4	9.85						5331	10 1/2% 1989 Jan	100	78 3/4	9.85					
5331	10 1/2% 1989 Jan	100	78 3/4	9.85						5332	10 1/2% 1989 Jan	100	78 3/4	9.85					
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5335	10 1/2% 1989 Jan	100	78 3/4	9.85						5336	10 1/2% 1989 Jan	100	78 3/4	9.85					
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5337	10 1/2% 1989 Jan	100	78 3/4	9.85						5338	10 1/2% 1989 Jan	100	78 3/4	9.85					
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5339	10 1/2% 1989 Jan	100	78 3/4	9.85						5340	10 1/2% 1989 Jan	100	78 3/4	9.85					
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5341	10 1/2% 1989 Jan	100	78 3/4	9.85						5342	10 1/2% 1989 Jan	100	78 3/4	9.85					
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5349	10 1/2% 1989 Jan	100	78 3/4	9.85						5350	10 1/2% 1989 Jan	100	78 3/4	9.85					
5350	10 1/2% 1989 Jan	100	78 3/4	9.85						5351	10 1/2% 1989 Jan	100	78 3/4	9.85					
5351	10 1/2% 1989 Jan	100	78 3/4	9.85						5352	10 1/2% 1989 Jan	100	78 3/4	9.85					
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5359	10 1/2% 1989 Jan	100	78 3/4	9.85						5360	10 1/2% 1989 Jan	100	78 3/4	9.85					
5360	10 1/2% 1989 Jan	100	78 3/4	9.85						5361	10 1/2% 1989 Jan	100	78 3/4	9.85					
5361	10 1/2% 1989 Jan	100	78 3/4	9.85						5362	10 1/2% 1989 Jan	100	78 3/4	9.85					
5362	10 1/2% 1989 Jan	100	78 3/4	9.85						5363	10 1/2% 1989 Jan	100	78 3/4	9.85					
5363	10 1/2% 1989 Jan	100	78 3/4	9.85						5364	10 1/2% 1989 Jan	100	78 3/4	9.85					
5364	10 1/2% 1989 Jan	100	78 3/4	9.85						5365	10 1/2% 1989 Jan	100	78 3/4	9.85					
5365	10 1/2% 1989 Jan	100	78 3/4	9.85						5366	10 1/2% 1989 Jan	100	78 3/4	9.85					
5366	10 1/2% 1989 Jan	100	78 3/4	9.85						5367	10 1/2% 1989 Jan	100	78 3/4	9.85					
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5372	10 1/2% 1989 Jan	100	78 3/4	9.85						5373	10 1/2% 1989 Jan	100	78 3/4	9.85					
5373	10 1/2% 1989 Jan	100	78 3/4	9.85						5374	10 1/2% 1989 Jan	100	78 3/4	9.85					
5374	10 1/2% 1989 Jan	100	78 3/4	9.85						5375	10 1/2% 1989 Jan	100	78 3/4	9.85					
5375	10 1/2% 1989 Jan	100	78 3/4	9.85						5376	10 1/2% 1989 Jan	100	78 3/4	9.85					
5376	10 1/2% 1989 Jan	100	78 3/4	9.85						5377	10 1/2% 1989 Jan	100	78 3/4	9.85					
5377	10 1/																		

Provided by White Weld Securities London Tel: 623 1277; a Division of Financiere Credit Suisse - First Boston

	Yield		Yield		Middle	Ave
1	100	2	100	3	100	100
4	100	5	100	6	100	100
7	100	8	100	9	100	100
10	100	11	100	12	100	100
13	100	14	100	15	100	100
16	100	17	100	18	100	100
19	100	20	100	21	100	100
22	100	23	100	24	100	100
25	100	26	100	27	100	100
28	100	29	100	30	100	100
31	100	32	100	33	100	100
34	100	35	100	36	100	100
37	100	38	100	39	100	100
40	100	41	100	42	100	100
43	100	44	100	45	100	100
46	100	47	100	48	100	100
49	100	50	100	51	100	100
52	100	53	100	54	100	100
55	100	56	100	57	100	100
58	100	59	100	60	100	100
61	100	62	100	63	100	100
64	100	65	100	66	100	100
67	100	68	100	69	100	100
70	100	71	100	72	100	100
73	100	74	100	75	100	100
76	100	77	100	78	100	100
79	100	80	100	81	100	100
82	100	83	100	84	100	100
85	100	86	100	87	100	100
88	100	89	100	90	100	100
91	100	92	100	93	100	100
94	100	95	100	96	100	100
97	100	98	100	99	100	100
100	100	101	100	102	100	100
103	100	104	100	105	100	100
106	100	107	100	108	100	100
109	100	110	100	111	100	100
112	100	113	100	114	100	100
115	100	116	100	117	100	100
118	100	119	100	120	100	100
121	100	122	100	123	100	100
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127	100	128	100	129	100	100
130	100	131	100	132	100	100
133	100	134	100	135	100	100
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139	100	140	100	141	100	100
142	100	143	100	144	100	100
145	100	146	100	147	100	100
148	100	149	100	150	100	100
151	100	152	100	153	100	100
154	100	155	100	156	100	100
157	100	158	100	159	100	100
160	100	161	100	162	100	100
163	100	164	100	165	100	100
166	100	167	100	168	100	100
169	100	170	100	171	100	100
172	100	173	100	174	100	100
175	100	176	100	177	100	100
1						

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For the Week Ending Aug. 20, 1982

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U.S. Outlines Aid Package for Mexico

WASHINGTON — The U.S. government has outlined a multi-billion-dollar package of aid to help Mexico ride out its worst financial crisis in memory and make good on its huge debts to foreign banks.

The package includes \$15 billion of loans by foreign central banks, expected to become available next week, direct loans by the U.S. government in the form of prepayments for Mexican crude oil and up to \$1 billion of guarantees by Washington of new loans by U.S. commercial banks.

In addition, up to \$4.5 billion of credits from the International Monetary Fund are expected by mid-October, according to an announcement by the Treasury Department.

A news briefing Friday by the Treasury's deputy secretary, Rich-

ard T. McNamar, marked the first public acknowledgment by Washington of efforts under way for several weeks to help Mexico mobilize the hard currencies it will need to meet its heavy near-term debt obligations.

It is due to repay \$20 billion in principal this year on foreign debt of \$81 billion. An estimated \$18 billion to \$24 billion of the total is owed to U.S. banks.

The U.S. efforts, which are continuing, included three days of unannounced negotiations in Washington last week between McNamar and top Treasury and Federal Reserve officials. The talks culminated in an all-night session that ended last Monday morning, a day before Mexico announced it would reopen its foreign exchange markets.

In New York, Mexican officials

met Friday with representatives of more than 100 banks from around the world and sought postponement for 90 days of \$10 billion in principal. The Mexicans also sought an additional \$1 billion in bank credit.

Outcome Questioned
Mr. Silva Herzog said after the meeting that the bankers had agreed to the requests, but some bankers who attended the meeting said this had not been the case.

If Mexico were to fail to obtain the funds it needs, the consequences for the international banking system could be grave, according to banking analysts.

Some of the major U.S. banks have made loans to Mexico equivalent to up to 90 percent of their equity, which usually represents about 4 percent of their total resources.

Mr. McNamar disclosed that Mexico had agreed to increase its crude oil exports to the United States and to charge no more than \$35 a barrel even if world prices climb higher. The United States, so far as is known, never before has been able to obtain such promises from an important oil exporter.

Mexico has also agreed to make all of the additional crude exports from its so-called Isthmus oil reserves, a lighter and more valuable crude oil than the Maya crude it also produces.

The Mexican light crude is currently priced at \$32.50 a barrel, while Maya is \$25.

The United States has been eager for years to increase its access to Mexican crude oil in order to diminish U.S. dependence on Saudi Arabia and other Eastern Hemisphere producers, but Mexico has followed a cautious policy of slow increases in oil development.

Increased Mexican production also should serve as a moderating force on world oil prices, another U.S. policy objective.

Minimum Price Guaranteed
As part of the new agreement, Washington agreed to pay Mexico \$25 a barrel even if world prices fall lower.

Mr. McNamar said that Mexico undertook to increase its exports to the United States in stages, from the current 50,000 barrels a day to 190,000 barrels a day by the summer of 1983.

The U.S. government will use the additional oil for a faster buildup of its strategic oil reserve, a protection against future disruptions of foreign supplies.

Mr. McNamar disclosed that Mexico has borrowed all of the \$750 million it was entitled to under a standby line of credit, or swap, with the U.S. Federal Reserve System.

Mexico is understood to need those funds to make interest payments to foreign creditors on time.

Mr. McNamar said additional short-term credits of up to \$1.5 billion, to run for up to three months, were discussed by central bankers last week at a meeting in Basel and were expected to be approved soon by the central banks.

It was unclear whether the United States would contribute to that sum.

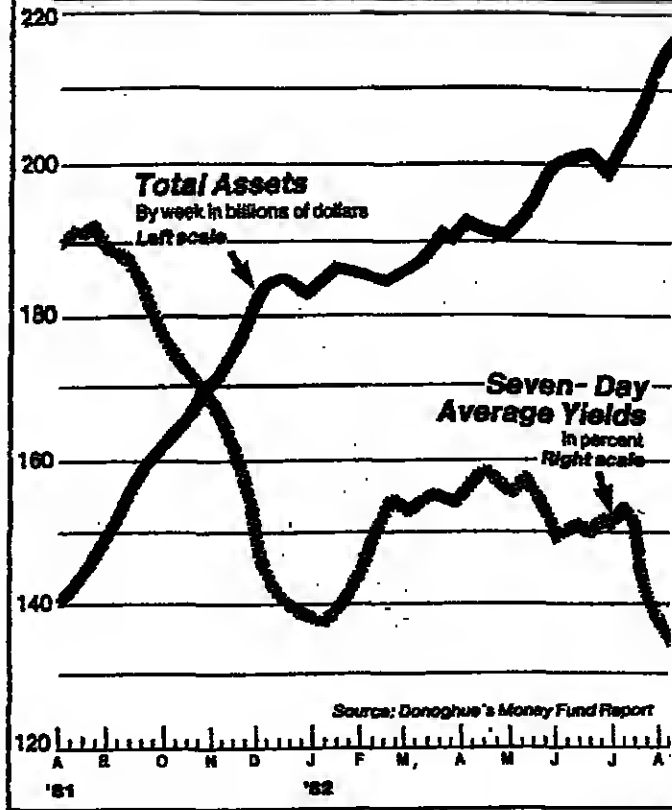
Guarantees of \$1 billion of crop-export loans for 1983 by U.S. commercial banks will be issued by the Agriculture Department's Commodity Credit Corp., Mr. McNamar said. Guarantees in fiscal 1982 totaled \$65 million.

Mr. McNamar said that Mexico was expected to secure by mid-October the approval of the International Monetary Fund for \$3.7 billion of long-term credits and possibly \$800 million or so of "compensatory financing" credits to help it weather the 1982 decline in oil prices.

In Mexico City Friday, the peso continued to recover lost ground against the dollar as holders of the artificially high exchange rate set when foreign currency operations resumed on Thursday. The dollar, which fell from 130 to 115 pesos during Thursday's trading, opened at 105 pesos and closed at 95 pesos Friday.

The Mexican currency has lost 48 percent of its value on the open market since Aug. 5, when a two-tier exchange system was announced and the peso was allowed to float for most foreign exchange transactions.

Money Market Funds: While Growth Has Continued Yields Are Falling



Money Market Funds May Have Hit a Peak

(Continued from Page 7)

age maturity, the number of days it takes to roll over their portfolios, has grown from 33 to 36 days.

By contrast, the average maturity of major funds in 1981 ranged from 23 to slightly less than 30. Thus, Tuesday's big rate break will not show up fully for more than a month.

Barbara Akerley, editor of Donoghue's Money Fund Report, said, "The increase in the maturity rate is the first definitive sign by the money fund managers that they expect short-term interest rates to fall. The result is that as short-term rates fall, the money funds won't fall as fast as other instruments."

Money market funds pool their investors' money and place it in a variety of short-term debt instruments that can range from Treasury bills and bankers' acceptances to Eurodollar deposits.

Because the securities purchased by money market funds are traditionally sold in minimum lots of \$10,000, such securities would be beyond the reach of many small investors if they could not benefit indirectly through the funds.

The funds' assets now total a record \$223.45 billion, with more than half of that deposited in 1981 alone, when yields, on a seven-day basis, went as high as 17.2 percent.

Aside from the 42 institutional funds, there are 59 broker-dealer funds, with a total of \$109.66 billion, up \$1.31 billion in the latest week, and 133 general purpose funds, with assets of \$71.35 billion, up \$621 million in the week.

The growth of the money funds has largely been at the expense of thrift institutions and banks, which operate under Federal regulation and have been limited in the rates they can pay for deposits.

Thrifts, for example, may currently pay no more than 5 1/2 percent on passbook savings. Analysts differ on whether deposits lost by these institutions to

the money funds will be recaptured if short-term rates continue to fall.

Jonathan E. Grey, a research analyst at Sanford C. Bernstein & Co., an investment banking firm, said that banks and thrifts are currently paying rates of 12 percent to 13 percent on longer-term deposits "and the money funds will soon be paying single-digit interest." As a result, Mr. Grey said, "a significant reflux of funds to banks and thrifts should commence in a matter of weeks."

By contrast, Edward A. Tabor, president of the T. Rowe Price Prime Reserve Fund, based in Baltimore, said there could be "a little bit of a movement" from the funds into the thrifts and banks.

Mr. Tabor noted that from early 1975 until late 1978, money market fund yields were lower than passbook savings rates, and yet the money fund assets remained at about \$3 billion during that entire period.

He said, "It's the combination of features, such as their liquidity and check-writing, that people find attractive."

The availability of credit cards through the funds adds to their appeal.

Michael Lipper, president of Lipper Analytical Services, which tracks money market funds, said he could see total money fund assets falling as low as \$175 billion by the end of the year, but he said he would not expect a "rapid runoff" of money from the funds.

He said, "Most of the money in the money funds isn't investment money; it's money waiting to pay bills."

BL Reduces Production
LONDON — BL, the state-owned automaker, said Saturday that it has laid off 7,500 workers for two weeks and is trimming production because of a fall in sales.

U.S. Bank's Overseers Blaming Each Other

WASHINGTON — At last week's congressional hearing in Oklahoma City into the collapse of the Penn Square Bank, each of the witnesses blamed someone else.

All the finger-pointing may make sense legally, but for some members of the House Banking, Finance and Urban Affairs Committee, it also raises serious questions about who is watching over the U.S. banking system.

The main watchdogs of a bank are its outside auditors, its board and federal regulators, like the Comptroller of the Currency, whose examiners regularly inspect the bank's books and records.

In the case of Penn Square, according to testimony at the hearing, each watchdog, in many respects, relied on another in concluding that the bank's condition was not so bad.

While it may take years to pinpoint responsibility for the collapse of Penn Square, a review of publicly available information, including testimony from last Monday's 12-hour, continuous hearing, shows the following:

• Officials from the comptroller's office said they had followed their normal procedures in supervising the bank and had assigned it a rating of three on a scale of one to five, meaning it was not considered a problem bank. Comptroller officials said they relied on the bank's directors and its new president, Eldon L. Beller, to take remedial action, yet Mr. Beller testified he had no real authority and the directors said they were uninformed about many of the bank's practices.

• The directors said they relied on assurances by the comptroller and the bank's outside auditors, Peat Marwick Mitchell & Co., that the bank was not in any real trouble. As is the case with most bank directors, Penn Square's board did

not look into specific loans, nor did it have the expertise to question many of the bank's practices. Most of the bank's directors had illegal financial dealings with the bank, according to documents introduced at the hearing.

• Peat Marwick, which probably audits more financial institutions than any other accounting firm, testified that it followed the same auditing procedures in examining Penn Square that are used for other banks. Last May, two months before the bank collapsed, Peat Marwick told Penn Square's directors of the "truly remarkable and impressive" management changes taking place at the bank. Meanwhile, the Comptroller found Peat Marwick's audit practices "unacceptable," in part because the firm inspected only 15 percent of the bank's loans.

The committee's first witness, Mr. Beller, told how he became president in April, 1981, but had no authority over the bank's energy lending, which constituted 80 percent of the bank's portfolio and the source of the most of its problems. Though the comptroller viewed Mr. Beller as the best solution to reining in the banking practices of William G. Patterson, Penn Square's senior vice president, and Bill P. Jennings, its chairman, Mr. Beller said he never informed the comptroller of his limited authority.

The regional administrator for the Comptroller, Clifton A. Poole Jr., said at the hearing, "We were assured by the board of directors and Beller himself that he had the authority to clear up the problems." Mr. Poole also said that his office's handling of Penn Square was "totally appropriate" because the "actions and procedures used in addressing the problems of this bank have been used successfully again and again in other institutions."

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AEG: Symbol of German Fragility

(Continued from Page 7)

When Mr. Dürr took over, he said he believed the only way to save AEG would be, in effect, to dismantle the company, eliminating its less profitable divisions, and bringing others into joint ventures with partners that had the technology and capital to help make them profitable again.

Plan Partly Successful
Mr. Dürr's plans have succeeded to some extent.

AEG's telecommunications division was brought into a joint venture with Robert Bosch, an electrical company, and Mannesmann, the steel products group; Grundig has agreed to cooperate in production and marketing of consumer electronics products with Telefunken, the rising consumer electronics division of the AEG group, and AEG recently concluded an agreement with United Technologies Corp. of the United States to manufacture and market microprocessor chips.

All of the joint agreements are to be excluded from AEG's composition proceedings.

Mr. Dürr stumbled, ultimately, in his search for a partner for AEG's capital goods division, which contributes about 38 percent to the company's revenues.

Negotiations had been held with Britain's General Electric Co., but analysts said the talks were ultimately toppled by a coalition of West German executives from AEG's competitors in the electrical industry: Bosch, Mannesmann and Siemens.

The course of AEG's future depends now on whether Mr. Dürr can succeed in his efforts to cut the company's debt burden.

Senior bankers here expressed serious doubts. Dresdner Bank's Mr. Friderichs said recently that the company would need to use its \$1-billion in additional bank credits to keep operating during composition proceedings.

Bankers said that even if a part of that sum is put up by domestic banks, about half would have to come from the company's overseas creditors. It is still not certain the foreign banks will go along with the credit agreement reached by the West German banks.

Bankers who attended a meeting with AEG's overseas bankers in Zurich 10 days ago said Mr. Dürr had failed to reveal any cogent strategy for reversing the company's performance.

The non-German bankers were also troubled by reports that three of AEG's few profitable units, appliance manufacturers Zanker, Neff and Küppersbusch, had been forced to apply for liquidation because credit lines from AEG's financing unit had been cut.

The decision has cast doubt, bankers said, on the seriousness of AEG's commitment to rebuild the company.

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Gold Options (prices in \$/oz.)

Price	Aug.	Nov.	Feb.
270	9.50-12.50		
300		20.50-26.50	34.50-37.50
400		12.00-15.00	27.00-30.00
500		1.50-1.70	21.00-23.00
600		4.50-5.00	16.00-17.00

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Citicorp International Group

Daiwa Europe Limited

Lazard Brothers & Co., Limited

Wood Gundy Limited

Counter		Net	
Sales In		100s High Low Last One	
Call 1.28	54	170	194 + 1/4
Call 2.00	14	84	84 + 1/4
Call 3.00	10	84	84 + 1/4
Call 4.00	10	84	84 + 1/4
Call 5.00	10	84	84 + 1/4
Call 6.00	10	84	84 + 1/4
Call 7.00	10	84	84 + 1/4
Call 8.00	10	84	84 + 1/4
Call 9.00	10	84	84 + 1/4
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Call 87.00	10	84	84 + 1/4
Call 88.00	10	84	84 + 1/4
Call 89.00	10	84	84 + 1/4
Call 90.00	10	84	84 + 1/4

For the Week Ending Aug. 20, 1962

Chicago Exchange Options

For the Week Ending Aug. 20, 1962

Option & price					Option & price					Option & price					Option & price					Option & price				
Calls		Puts			Calls		Puts			Calls		Puts			Calls		Puts			Calls		Puts		
Aug	Nov	Aug	Nov		Aug	Nov	Aug	Nov		Aug	Nov	Aug	Nov		Aug	Nov	Aug	Nov		Aug	Nov	Aug	Nov	
Amshld 16	21 1/2	1 1/2	11 1/2	16	21 1/2	1 1/2	11 1/2	16	16	21 1/2	1 1/2	11 1/2	16	16	21 1/2	1 1/2	11 1/2	16	16	21 1/2	1 1/2	11 1/2	16	16
21 1/2	1 1/2	11 1/2	16	21 1/2	1 1/2	11 1/2	16	21 1/2	1 1/2	11 1/2	16	21 1/2	1 1/2	11 1/2	16	21 1/2	1 1/2	11 1/2	16	21 1/2	1 1/2	11 1/2	16	16
AEP 17 1/2	21 1/2	1 1/2	11 1/2	17 1/2	21 1/2	1 1/2	11 1/2	17 1/2	17 1/2	21 1/2	1 1/2	11 1/2	17 1/2	17 1/2	21 1/2	1 1/2	11 1/2	17 1/2	17 1/2	21 1/2	1 1/2	11 1/2	17 1/2	17 1/2
Amshld 18	21 1/2	1 1/2	11 1/2	18	21 1/2	1 1/2	11 1/2	18	18	21 1/2	1 1/2	11 1/2	18	18	21 1/2	1 1/2	11 1/2	18	18	21 1/2	1 1/2	11 1/2	18	18
Amshld 19	21 1/2	1 1/2	11 1/2	19	21 1/2	1 1/2	11 1/2	19	19	21 1/2	1 1/2	11 1/2	19	19	21 1/2	1 1/2	11 1/2	19	19	21 1/2	1 1/2	11 1/2	19	19
Amshld 20	21 1/2	1 1/2	11 1/2	20	21 1/2	1 1/2	11 1/2	20	20	21 1/2	1 1/2	11 1/2	20	20	21 1/2	1 1/2	11 1/2	20	20	21 1/2	1 1/2	11 1/2	20	20
Amshld 21	21 1/2	1 1/2	11 1/2	21	21 1/2	1 1/2	11 1/2	21	21	21 1/2	1 1/2	11 1/2	21	21	21 1/2	1 1/2	11 1/2	21	21	21 1/2	1 1/2	11 1/2	21	21
Amshld 22	21 1/2	1 1/2	11 1/2	22	21 1/2	1 1/2	11 1/2	22	22	21 1/2	1 1/2	11 1/2	22	22	21 1/2	1 1/2	11 1/2	22	22	21 1/2	1 1/2	11 1/2	22	22
Amshld 23	21 1/2	1 1/2	11 1/2	23	21 1/2	1 1/2	11 1/2	23	23	21 1/2	1 1/2	11 1/2	23	23	21 1/2	1 1/2	11 1/2	23	23	21 1/2	1 1/2	11 1/2	23	23
Amshld 24	21 1/2	1 1/2	11 1/2	24	21 1/2	1 1/2	11 1/2	24	24	21 1/2	1 1/2	11 1/2	24	24	21 1/2	1 1/2	11 1/2	24	24	21 1/2	1 1/2	11 1/2	24	24
Amshld 25	21 1/2	1 1/2	11 1/2	25	21 1/2	1 1/2	11 1/2	25	25	21 1/2	1 1/2	11 1/2	25	25	21 1/2	1 1/2	11 1/2	25	25	21 1/2	1 1/2	11 1/2	25	25
Amshld 26	21 1/2	1 1/2	11 1/2	26	21 1/2	1 1/2	11 1/2	26	26	21 1/2	1 1/2	11 1/2	26	26	21 1/2	1 1/2	11 1/2	26	26	21 1/2	1 1/2	11 1/2	26	26
Amshld 27	21 1/2	1 1/2	11 1/2	27	21 1/2	1 1/2	11 1/2	27	27	21 1/2	1 1/2	11 1/2	27	27	21 1/2	1 1/2	11 1/2	27	27	21 1/2	1 1/2	11 1/2	27	27
Amshld 28	21 1/2	1 1/2	11 1/2	28	21 1/2	1 1/2	11 1/2	28	28	21 1/2	1 1/2	11 1/2	28	28	21 1/2	1 1/2	11 1/2	28	28	21 1/2	1 1/2	11 1/2	28	28
Amshld 29	21 1/2	1 1/2	11 1/2	29	21 1/2	1 1/2	11 1/2	29	29	21 1/2	1 1/2	11 1/2	29	29	21 1/2	1 1/2	11 1/2	29	29	21 1/2	1 1/2	11 1/2	29	29
Amshld 30	21 1/2	1 1/2	11 1/2	30	21 1/2	1 1/2	11 1/2	30	30	21 1/2	1 1/2	11 1/2	30	30	21 1/2	1 1/2	11 1/2	30	30	21 1/2	1 1/2	11 1/2	30	30
Amshld 31	21 1/2	1 1/2	11 1/2	31	21 1/2	1 1/2	11 1/2	31	31	21 1/2	1 1/2	11 1/2	31	31	21 1/2	1 1/2	11 1/2	31	31	21 1/2	1 1/2	11 1/2	31	31
Amshld 32	21 1/2	1 1/2	11 1/2	32	21 1/2	1 1/2	11 1/2	32	32	21 1/2	1 1/2	11 1/2	32	32	21 1/2	1 1/2	11 1/2	32	32	21 1/2	1 1/2	11 1/2	32	32
Amshld 33	21 1/2	1 1/2	11 1/2	33	21 1/2	1 1/2	11 1/2	33	33	21 1/2	1 1/2	11 1/2	33	33	21 1/2	1 1/2	11 1/2	33	33	21 1/2	1 1/2	11 1/2	33	33
Amshld 34	21 1/2	1 1/2	11 1/2	34	21 1/2	1 1/2	11 1/2	34	34	21 1/2	1 1/2	11 1/2	34	34	21 1/2	1 1/2	11 1/2	34	34	21 1/2	1 1/2	11 1/2	34	34
Amshld 35	21 1/2	1 1/2	11 1/2	35	21 1/2	1 1/2	11 1/2	35	35	21 1/2	1 1/2	11 1/2	35	35	21 1/2	1 1/2	11 1/2	35	35	21 1/2	1 1/2	11 1/2	35	35
Amshld 36	21 1/2	1 1/2	11 1/2	36	21 1/2	1 1/2	11 1/2	36	36	21 1/2	1 1/2	11 1/2	36	36	21 1/2	1 1/2	11 1/2	36	36	21 1/2	1 1/2	11 1/2	36	36
Amshld 37	21 1/2	1 1/2	11 1/2	37	21 1/2	1 1/2	11 1/2	37	37	21 1/2	1 1/2	11 1/2	37	37	21 1/2	1 1/2	11 1/2	37	37	21 1/2	1 1/2	11 1/2	37	37
Amshld 38	21 1/2	1 1/2	11 1/2	38	21 1/2	1 1/2	11 1/2	38	38	21 1/2	1 1/2	11 1/2	38	38	21 1/2	1 1/2	11 1/2	38	38	21 1/2	1 1/2	11 1/2	38	38
Amshld 39	21 1/2	1 1/2	11 1/2	39	21 1/2	1 1/2	11 1/2	39	39	21 1/2	1 1/2	11 1/2	39	39	21 1/2	1 1/2	11 1/2	39	39	21 1/2	1 1/2	11 1/2	39	39
Amshld 40	21 1/2	1 1/2	11 1/2	40	21 1/2	1 1/2	11 1/2	40	40	21 1/2	1 1/2	11 1/2	40	40	21 1/2	1 1/2	11 1/2	40	40	21 1/2	1 1/2	11 1/2	40	40
Amshld 41	21 1/2	1 1/2	11 1/2	41	21 1/2	1 1/2	11 1/2	41	41	21 1/2	1 1/2	11 1/2	41	41	21 1/2	1 1/2	11 1/2	41	41	21 1/2	1 1/2	11 1/2	41	41
Amshld 42	21 1/2	1 1/2	11 1/2	42	21 1/2	1 1/2	11 1/2	42	42	21 1/2	1 1/2	11 1/2	42	42	21 1/2	1 1/2	11 1/2	42	42	21 1/2	1 1/2	11 1/2	42	42
Amshld 43	21 1/2	1 1/2	11 1/2	43	21 1/2	1 1/2	11 1/2	43	43	21 1/2	1 1/2	11 1/2	43	43	21 1/2	1 1/2	11 1/2	43	43	21 1/2	1 1/2	11 1/2	43	43
Amshld 44	21 1/2	1 1/2	11 1/2	44	21 1/2	1 1/2	11 1/2	44	44	21 1/2	1 1/2	11 1/2	44	44	21 1/2	1 1/2	11 1/2	44	44	21 1/2	1 1/2	11 1/2	44	44
Amshld 45	21 1/2	1 1/2	11 1/2	45	21 1/2	1 1/2	11 1/2	45	45	21 1/2	1 1/2	11 1/2	45	45	21 1/2	1 1/2	11 1/2	45	45	21 1/2	1 1/2	11 1/2	45	45
Amshld 46	21 1/2	1 1/2	11 1/2	46	21 1/2	1 1/2	11 1/2	46	46	21 1/2	1 1/2	11 1/2	46	46	21 1/2	1 1/2	11 1/2	46	46	21 1/2	1 1/2	11 1/2	46	46
Amshld 47	21 1/2	1 1/2	11 1/2	47	21 1/2	1 1/2	11 1/2	47	47	21 1/2	1 1/2	11 1/2	47	47	21 1/2	1 1/2	11 1/2	47	47	21 1/2	1 1/2	11 1/2	47	47
Amshld 48	21 1/2	1 1/2	11 1/2	48	21 1/2	1 1/2	11 1/2	48	48	21 1/2	1 1/2	11 1/2	48	48	21 1/2	1 1/2	11 1/2	48	48	21 1/2	1 1/2	11 1/2	48	48
Amshld 49	21 1/2	1 1/2	11 1/2	49	21 1/2	1 1/2	11 1/2	49	49	21 1/2	1 1/2	11 1/2	49	49	21 1/2	1 1/2	11 1/2	49	49	21 1/2	1 1/2	11 1/2	49	49
Amshld 50	21 1/2	1 1/2	11 1/2	50	21 1/2	1 1/2	11 1/2	50	50	21 1/2	1 1/2	11 1/2	50	50	21 1/2	1 1/2	11 1/2	50	50	21 1/2	1 1/2	11 1/2	50	50
Amshld 51	21 1/2	1 1/2	11 1/2	51	21 1/2	1 1/2	11 1/2	51	51	21 1/2	1 1/2	11 1/2	51	51	21 1/2	1 1/2	11 1/2	51	51	21 1/2	1 1/2	11 1/2	51	51
Amshld 52	21 1/2	1 1/2	11 1/2	52	21 1/2	1 1/2	11 1/2	52	52	21 1/2	1 1/2	11 1/2	52	52	21 1/2	1 1/2	11 1/2	52	52	21 1/2	1 1/2	11 1/2	52	52
Amshld 53	21 1/2	1 1/2	11 1/2	53	21 1/2	1 1/2	11 1/2	53	53	21 1/2	1 1/2	11 1/2	53	53	21 1/2	1 1/2	11 1/2	53	53	21 1/2	1 1/2	11 1/2	53	53
Amshld 54	21 1/2	1 1/2	11 1/2	54	21 1/2	1 1/2	11 1/2	54	54	21 1/2	1 1/2	11 1/2	54	54	21 1/2	1 1/2	11 1/2	54	54	21 1/2	1 1/2	11 1/2	54	54
Amshld 55	21 1/2	1 1/2	11 1/2	55	21 1/2	1 1/2	11 1/2	55	55	21 1/2	1 1/2	11 1/2	55	55	21 1/2	1 1/2	11 1/2	55	55	21 1/2	1 1/2	11 1/2	55	55
Amshld 56	21 1/2	1 1/2	11 1/2	56	21 1/2	1 1/2	11 1/2	56	56	21 1/2	1 1/2	11 1/2	56	56	21 1/2	1 1/2	11 1/2	56	56	21 1/2	1 1/2	11 1/2	56	56
Amshld 57	21 1/2	1 1/2	11 1/2	57	21 1/2	1 1/2	11 1/2	57	57	21 1/2	1 1/2	11 1/2	57	57	21 1/2	1 1/2	11 1/2	57	57	21 1/2	1 1/2	11 1/2	57	57
Amshld 58	21 1/2	1 1/2	11 1/2	58	21 1/2	1 1/2	11 1/2	58	58	21 1/2	1 1/2	11 1/2	58	58	21 1/2	1 1/2	11 1/2	58	58	21 1/2	1 1/2	11 1/2	58	58
Amshld 59	21 1/2	1 1/2	11 1/2	59	21 1/2	1 1/2	11 1/2	59	59	21 1/2	1 1/2	11 1/2	59	59	21 1/2	1 1/2	11 1/2	59	59	21 1/2	1 1/2	11 1/2	59	59
Amshld 60	21 1/2	1 1/2	11 1/2	60	21 1/2	1 1/2	11 1/2	60	60	21 1/2	1 1/2	11 1/2	60	60	21 1/2	1 1/2	11 1/2	60	60	21 1/2	1 1/2	11 1/2	60	60
Amshld 61	21 1/2	1 1/2	11 1/2	61	21 1/2	1 1/2	11 1/2	61	61	21 1/2	1 1/2	11 1/2	61	61	21 1/2	1 1/2	11 1/2	61	61	21 1/2	1 1/2	11 1/2	61	61
Amshld 62	21 1/2	1 1/2	11 1/2	62	21 1/2	1 1/2	11 1/2	62	62	21 1/2	1 1/2	11 1/2	62	62	21 1/2	1 1/2	11 1/2	62	62	21 1/2	1 1/2	11 1/2	62	62
Amshld 63	21 1/2	1 1/2	11 1/2	63	21 1/																			

JULY 1982

29

US\$ 16,000,000
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Paying Agent:
Grindlays Bank p.l.c.

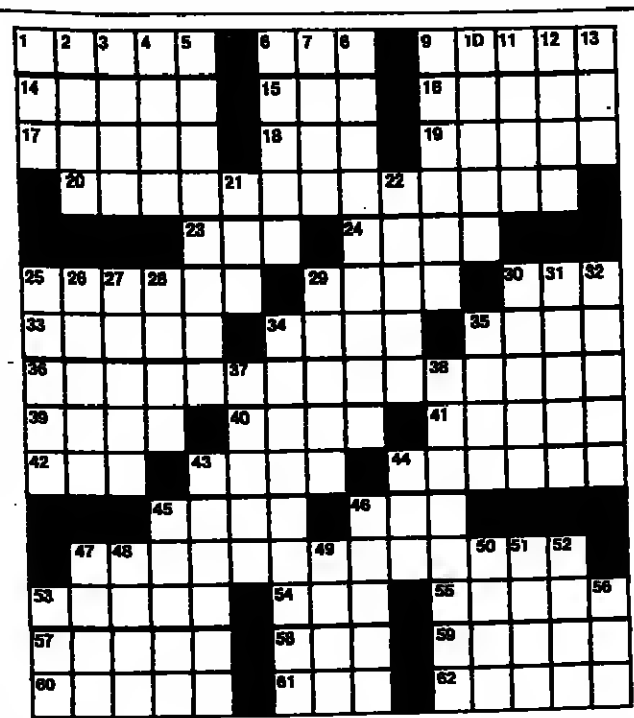
Agent

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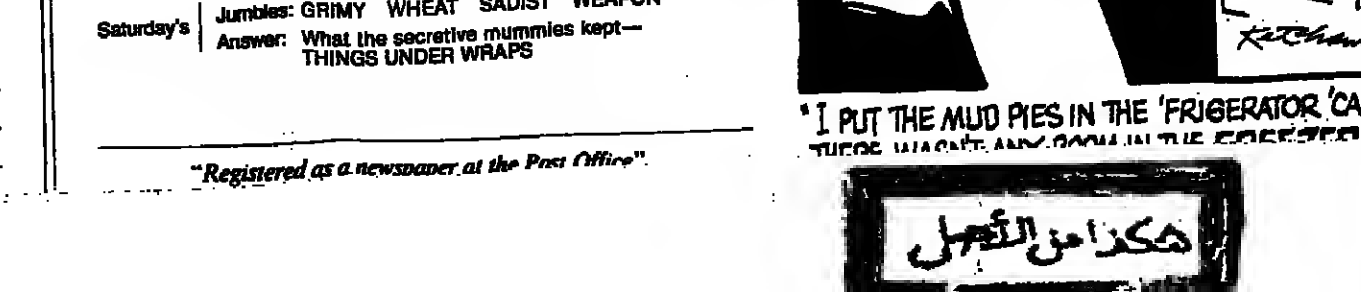
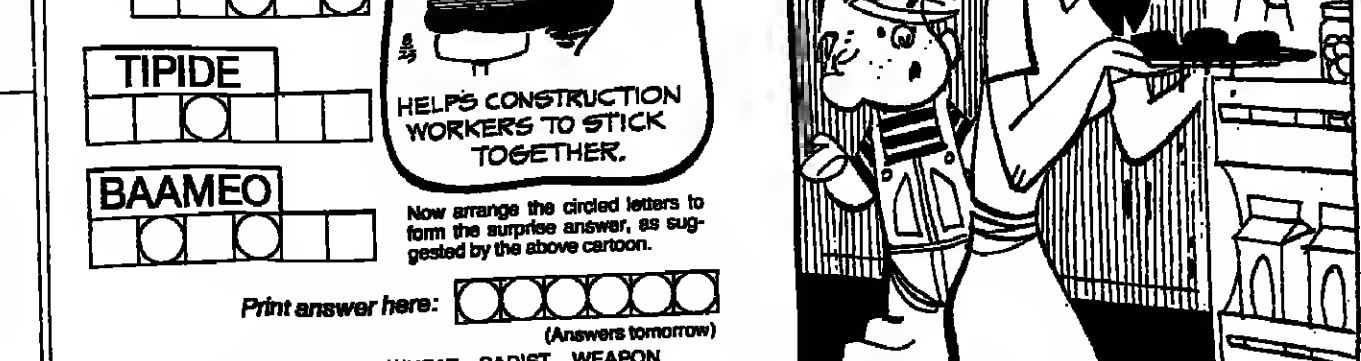
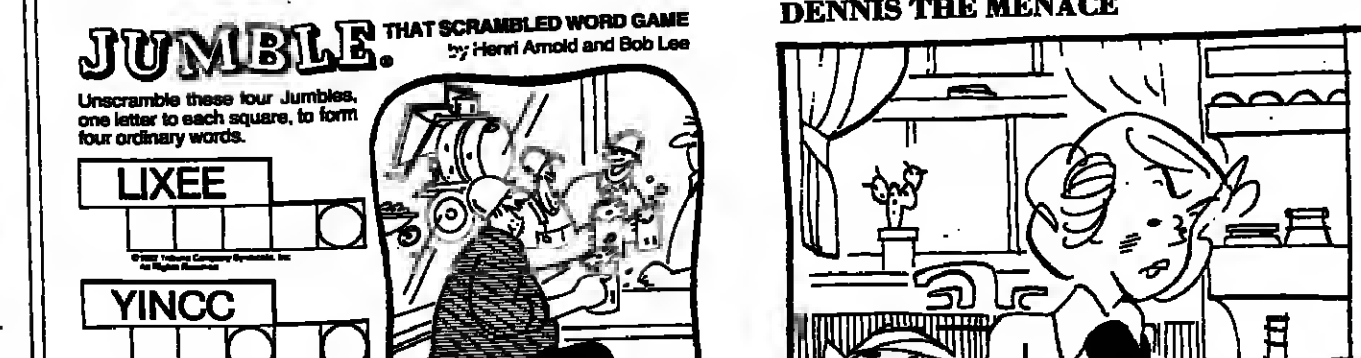
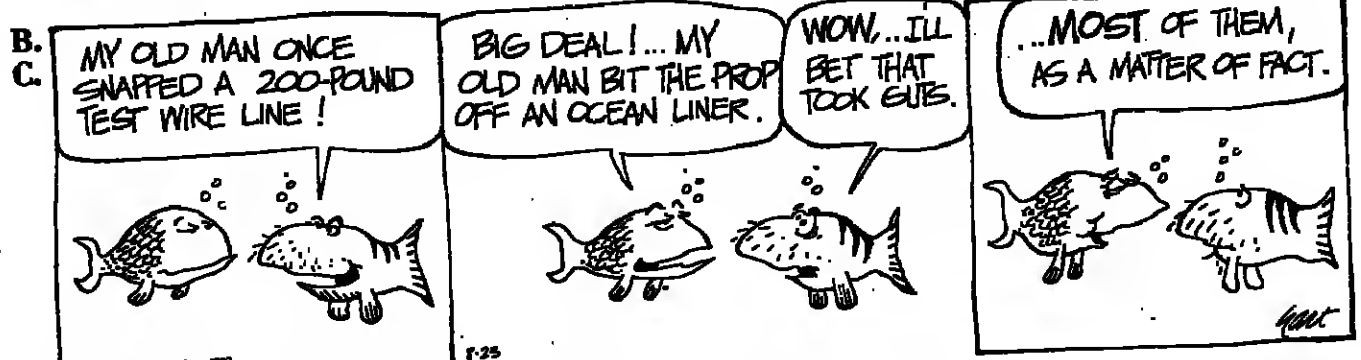
CROSSWORD



- ACROSS**
- 1 Pod used for fodder
 - 6 End of the seventh century
 - 14 and kicking
 - 15 Sis, boom, bah's kin
 - 16 Type of discussion
 - 17 Bellow offering
 - 18 — snit (pneved)
 - 19 Seris
 - 20 Deserted the party
 - 23 Future fish
 - 24 Admire
 - 25 Furniture material
 - 29 Spectacles supports
 - 30 About 3,000 miles from EST
 - 33 Not silently
 - 34 Comic Johnson
 - 35 "O patria mia" is one
 - 36 Noncommittal politicians
 - 39 Boer migration
- DOWN**
- 1 Is able
 - 2 "Thanks —!"
 - 3 Split
 - 4 Done
 - 5 Off-besieged city in Europe
 - 6 Riverside, e.g.
 - 7 Birch
 - 8 Mountebank
 - 9 Gives a lecture
 - 10 Speed
 - 11 Hathaway
 - 12 Sealed document
 - 13 High rails
 - 21 Charged atom
 - 22 Fathered
 - 23 Oodles
 - 26 Keen
 - 27 Firms up
 - 28 Hood's friend
 - 29 Fluff
 - 30 Kind of release
 - 31 Lorelei
 - 32 Italian poet: 1544-85
 - 34 Usher, e.g.
 - 35 Wings
 - 37 River of Paris
 - 38 Lose face
 - 43 Black teas
 - 44 Fiver
 - 45 Worthless item
 - 46 Celestial body
 - 47 Refrain in old songs
 - 48 Skunk's weapon
 - 49 Corner
 - 50 Eye part
 - 51 Bridge seat
 - 52 Locale
 - 53 Glowing
 - 56 Tutelary god

WEATHER

	HIGH	LOW		HIGH	LOW
	C F	C F		C F	C F
ALABAMA	40	184	16	44	Cloudy
ALASKA	17	43	14	57	Overcast
AMSTERDAM	31	88	11	53	Cloudy
ANKARA	31	88	11	53	Cloudy
ANTWERP	24	75	24	75	Cloudy
ARIZONA	15	59	18	30	Overcast
ARLINGTON	34	93	24	79	Overcast
BANGKOK					
BARCELONA	24	75	14	57	Showers
BIRMINGHAM	24	75	14	55	Cloudy
BOSTON	21	70	13	55	Fair
BRAZIL	18	13	55	Cloudy	
BUEENOS AIRES	30	86	16	64	Fair
BUDAPEST	21	70	14	57	Rain
BUEENOS AIRES	17	43	14	57	Cloudy
CAIRO	22	72	22	72	Fair
CALIFORNIA	12	54	9	46	Cloudy
CASABLANCA	26	82	19	66	Overcast
CHICAGO	19	66	13	55	Cloudy
COSTA MEXICO	19	66	13	55	Cloudy
COSTA MEXICO	21	70	14	57	Fair
DAMASCUS	34	93	24	79	Overcast
DUBLIN	19	66	13	55	Fair
DUNBURG	16	12	54	Rain	
FLORENCE	26	79	16	61	Fair
FRANKFURT	19	66	13	55	Fair
GENEVA	16	64	13	54	Fair
HARARE	18	64	14	57	Cloudy
HONGKONG	17	43	14	57	Showers
HONGKONG	22	72	22	72	Cloudy
HOUSTON	33	95	24	75	Cloudy
ISTANBUL	29	84	19	66	Fair
JERUSALEM	17	43	14	57	Fair
LA PALMAS	22	81	16	60	Cloudy
LIMA	19	66	13	54	Fair
LONDON	22	72	16	61	Fair
LONDON	18	64	13	55	Overcast
LOS ANGELES	35	95	25	77	Cloudy
MADRID	32	91	27	81	Cloudy
MANKATO	34	93	24	79	Cloudy
MEXICO CITY	34	93	24	79	Cloudy
MIAMI	24	75	13	55	Fair
MILAN	24	75	13	55	Fair
MONTREAL	24	75	13	55	Overcast
MOSCOW	18	64	7	45	Fair
MURKIN	18	64	7	45	Fair
NASSAU	32	90	24	79	Cloudy
NEW DELHI	35	95	25	77	Cloudy
NEW YORK	28	82	18	64	Fair
NICE	28	82	18	64	Fair
OSLO	18	64	8	46	Cloudy
PARIS	18	64	8	46	Cloudy
PEKING	31	88	20	68	Fair
PRAGUE	19	66	13	55	Fair
REYKJAVIK	34	93	24	79	Cloudy
RIO DE JANEIRO	21	70	14	57	Cloudy
ROME	28	82	18	66	Fair
SAO PAULO	18	64	11	52	Fair
SEATTLE	18	64	11	52	Fair
SHANGHAI	23	93	27	81	Overcast
SINGAPORE	24	93	26	79	Cloudy
STOCKHOLM	17	63	8	46	Fair
SYDNEY	31	88	20	68	Fair
TAIPEI	35	95	25	77	Fair
TEL AVIV	32	90	24	79	Fair
TOKYO	31	88	20	68	Fair
TUNIS	28	82	18	64	Overcast
VENICE	23	73	14	57	Overcast
VIENNA	19	66	13	57	Overcast
WASHINGTON	21	70	14	57	Fair
WASHINGTON	17	43	13	55	Fair
ZURICH	18	64	7	45	Fair



AMERICA IN THE '20S: A History
By Geoffrey Perrett. 585 pp. \$20.95.
Simon & Schuster, 1230 Avenue of the Americas, New York, N.Y. 10020

Reviewed by Michiko Kakutani

IN retrospect, we tend to idealize our history, arranging it into neat decades, each personified by an event or labeled with a pithy epithet. If the 1930s are nearly synonymous with the Great Depression, the '40s bring to mind World War II and the '60s Vietnam and social revolution. The '50s remain the era of the Silent Generation, just as the '70s will be remembered as the "Me Decade."

Glamorous, hectic and endlessly commemorated by its writers and its poets, the '20s, however, retain perhaps the most vigorous hold over our collective imagination, and we recall "the Jazz Age" with heightened nostalgia as a time of flappers and expatriates, get-rich-quick schemes and land swindles, romance and disillusion. It is the subject of Geoffrey Perrett's new history published by Simon & Schuster.

Like William Manchester's "The Glory and the Dream" and Frederick Lewis Allen's "Only Yesterday," Perrett's book is an informal, narrative history that achieves fluency through its conversational style and densely detailed text. Although the book owes a heavy debt in both style and substance to Allen's celebrated history of the '20s — both illuminate such events as the Scopes trial and the Sacco and Vanzetti case through anecdotes and character sketches; both display a "Ragtime" — eschewer penchant for mingling the famous and unknown — Perrett claims to have drawn on "reliable studies of the country's art, health, education, sex life and cities" made available since "Only Yesterday" appeared in 1931.

In an effort to balance what he sees as Allen's undue focus on "odd or cited behavior," he has also paid attention to the antics of the daily highbrows and more to the daily concerns of the populace at large — an approach that makes for a more judicious, if less lively, book.

As Perrett sees it, the '20s were an uneasy postwar decade of transition, a sort of belated twilight zone between the 19th and 20th centuries. The war not only brought Americans into contact with foreign ideas and international responsibilities for the first time, but it created cultural reverberations as well.

The simple experience of the American Expeditionary Force in Europe, Perrett writes, "made it acceptable for a man to smoke cigarettes instead of cigars or a pipe; to wear a wristwatch instead of carrying a pocket fob; to use a safety razor instead of a cut-throat; to have a zipper fly instead of buttons."

More importantly, the war hastened a change in the moral order — a moral order already under siege by growing industrialization and new intellectual and scientific discoveries. Indeed, the '20s became a battleground of sorts between the old and new — Victorian morals vs. Freudian dogma, frontier individualism vs. urban anonymity and Puritan faith vs. modernist despair.

Because so much that we take for granted today had roots in the '20s, the era seems curiously familiar. It was a decade, after all, that witnessed the embracing of movies, sports and jazz as national diversions; a decade that saw the automobile become a necessary luxury and the crossword puzzle a Sunday ritual. Three of the country's leading periodicals — "The New Yorker," "Time" and "The Reader's Digest" — had their genesis in that one, slim 10-year period of time.

Although he does not provide as much analysis of the decade's social and political dynamics as one might like, Perrett does offer an impressive slide show of personalities and events — even that underlining the period's relationship with "our own." It was during the '20s, for instance, that black migration to Northern cities resulted in the creation of such neighborhoods as Harlem and Chicago's South Side, thereby contributing to growing racial tensions.

The decade's Red Scare presaged the McCarthy witch hunts of later years, and its concern with the roles of women and young people, similarly foreshadowed the cultural rebellions of the '60s. The complaints of the '20s, too, have an uncannily familiar ring; then, as now, citizens bemoaned "the crushing burden of taxation," industrialists worried that "the United States was fast running out of oil," and a symposium of intellectuals declared that "the most moving and pathetic fact in the social life of America today is emotional and aesthetic starvation."

In the end, though, what probably makes the '20s so distinctly modern is the fact that it was the first decade in which Americans really began to wonder if their lives would ever be commensurate with their dreams; their expectations dwindled in those postwar years as surely as the frontier had receded. As F. Scott Fitzgerald once wrote of those who like himself came of age in the '20s, "the capacity of this generation to believe has run very thin." "The war, the peace, the boom, the Depression, the shadow of the new war scarcely corresponds to the idea of manifest destiny. Many men of my age are inclined to paraphrase Sir Edward Grey of 1914: "The world is going out all over the world; we shall not see them fit again in our time."

Michiko Kakutani is on the staff of The New York Times.

BRIDGE

By Alan Truscott

ON the diagrammed deal, the declarer ran into a bad trump break. But he would still have made his contract if East had not defended it carefully. North's double of the two-club overcall was negative, suggesting a moderate hand with length in the major suits. South, not unreasonably, thought that four hearts would be a good proposition.

The opening club lead was won with the ace and the heart jack was led for finesse. This won, and the ten was led. East made a key move by refusing to cover with the queen. Preserving the queen and nine was vital for the defense.

A diamond was led to the ace, and the spade jack was played. West covered with the queen and the ace won. A diamond was led to the king. East refusing to ruff. Now when a diamond was surrendered to West, the defense was able to play clubs, forcing South to ruff with the king. The Q-9 of hearts in the East hand, so carefully

preserved, were now sure to take the setting tricks.

In the replay, Pender played the same contract from the north position, and succeeded against slightly less careful defense.

NORTH
♠ A J 8 4
♥ Q J 8 6 5
♦ A 7 2
♣ A 7 2

WEST
♠ Q 8 6 3
♥ Q 7
♦ K Q J 8 5
♣ K Q J 8 5

EAST
♠ A 7 5 2
♥ Q 8 7 4 2
♦ K 9 8 7
♣ A 7 2

SOUTH
♠ K 6 3
♥ A K 8 5
♦ A K 8 5
♣ A 7 2

Neither side was vulnerable. The bidding: South 1♣, West 2♦, North 3♥, East 4♥. South 4♥. West led the club king.

RADIO NEWSCASTS

BBC WORLD SERVICE

News of 0800, 0900, 1000, 1100, 1200, 1300, 1400, 1500, 1600, 1700, 1800, 1900, 2000, 2100, 2200, 2300, 2400	0800	0900	1000	1100	1200	1300	1400	1500	1600	1700	1800	1900	2000	2100	2200	2300	2400
Western Europe	25	11750	11	25450	41	25450	41	25450	41	25450	41	25450	41	25450	41	25450	41
Eastern Europe	25	11750	11	25450	41	25450	41	25450	41	25450	41	25450	41	25450	41	25450	41
Latin America	25	11750	11	25450	41	25450	41	25450	41	25450	41	25450	41	25450	41	25450	41
Asia	25	11750	11	25450	41	25450	41	25450	41	25450	41	25450	41	25450	41	25450	41
Africa	25	11750	11	25450	41	25450	41	25450	41	25450	41	25450	41	25450	41	25450	41
Oceania	25	11750	11	25450	41	25450	41	25450	41	25450	41	25450	41	25450	41	25450	41

RADIO CANADA INTERNATIONAL

News of 0800, 0900, 1000, 1100, 1200, 1300, 1400, 1500, 1600, 1700, 1800, 1900, 2000, 2100, 2200, 2300, 2400	0800	0900	1000	1100	1200	1300	1400	1500	1600	1700	1800	1900	2000	2100	2200	2300	2400
Western Europe	25	11750	11	25450	41	25450	41	25450	41	25450	41	25450	41	25450	41	25450	41
Eastern Europe	25	11750	11	25450	41	25450	41	25450	41	25450	41	25450	41	25450	41	25450	41
Latin America	25	11750	11	25450	41	25450	41	25450	41	25450	41	25450	41	25450	41	25450	41
Asia	25	11750	11	25450	41	25450	41	25450	41	25450	41	25450	41	25450	41	25450	41
Africa	25	11750	11	25450	41	25450	41	25450	41	25450	41	25450	41	25450	41	25450	41
Oceania	25	11750	11	25450	41	25450	41	25450	41	25450	41	25450	41	25450	41	25450	41

VOICE OF AMERICA

News of 0800, 0900, 1000, 1100, 1200, 1300, 1400, 1500, 1600, 1700, 1800, 1900, 2000, 2100, 2200, 2300, 2400	0800	0900	1000	1100	1200	1300	1400	1500	1600	1700	1800	1900	2000	2100	2200	2300	2400
Western Europe	25	11750	11	25450	41	25450	41	25450	41	25450	41	25450	41	25450	41	25450	41
Eastern Europe	25	11750	11	25450	41	25450	41	25450	41	25450	41	25450	41	25450	41	25450	41
Latin America	25	11750	11	25450	41	25450	41	25450	41	25450	41	25450	41	25450	41	25450	41
Asia	25	11750	11	25450	41	25450	41	25450	41	25450	41	25450	41	25450	41	25450	41
Africa	25	11750	11	25450	41	25450	41	25450	41	25450	41	25450	41	25450	41	25450	41
Oceania	25	11750	11	25450	41	25450	41	25450	41	25450	41	25450	41	25450	41	25450	41

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JUMBLE

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.



Print answer here: _____
(Answers tomorrow)

Saturday's Jumbles: GRIMY WHEAT SADIST WEAPON
Answer: What the secretive mummies kept — THINGS UNDER WRAPS

DENNIS THE MENACE



"I PUT THE MUD PIES IN THE 'FRIGERATOR' CAUSE THERE WAS NO ROOM IN THE COOLER."

Registered as a newspaper at the Post Office.

SPORTS

Texas A & M's Sherrill Begins Term as Coach, Image-Maker

By Peter Alfano
New York Times Service

COLLEGE STATION, Texas — Jackie Sherrill has spent the last seven months making the rounds of Texas as a candidate for the job of head coach of the Texas A & M football team. He has been shuttled from cowtown to metropolis and back, sometimes flying his own propeller-driven airplane as if he were a crop duster, covering the state with his views.

But Sherrill won the election last January. He knows about the letters, nearly 300 of them that were received by the former students association, letters that questioned Texas A & M's priorities when it hired him as head football coach and athletic director for an annual salary of \$287,000.

Sherrill also read about the objections voiced by several university presidents across the country, and by football coaches, some of whom earn high salaries themselves. So he decided to confront the issue rather than hope it would slowly die.

Sherrill has made nearly 40 trips throughout the state, speaking to Texas A & M alumni clubs. His position paper stresses the university's academic achievements and the necessity for an athlete to get an education.

He even talks a little about the football team, a subject that takes on added importance as fall practice begins.

Doubts Dispelled
All the miles of traveling and meetings with alumni groups have paid off.

Sherrill has dispelled the doubts of the skeptics who thought he was hired to win games at any cost. He has allayed their fears about the danger of overemphasizing football at the expense of academics.

More importantly, he has convinced them that he is worth every nickel of his salary. "Coaching has changed," Sherrill said. "Twenty years ago, the coach overruled the campus. Now, I balance the budget, market the product, do promotions, handle personnel, sell the program, recruit and coach. Like it or not, it's a different type of business now."

He has also become an image-maker, perhaps the best salesman A & M has ever had. Sherrill is 38, a man with neatly styled hair and a conservative manner.

Dressed in a gray suit, he looks more like a corporate executive than a football coach. It is this image that may help to erase the popular stereotype of the Aggie.

Those who live in Texas and other parts of the Southwest envision Texas A & M as a university attended by farm boys who wear overalls and whistle word between classes.

The university started as an agricultural school, said Charlie Thornton, the associate athletic director. "And people thought of students here as guys who drove pickups and had dirt under their nails. Plus, it was a military school and had an all-male enrollment."

When Sherrill left the University of Pittsburgh to take the A & M job, some there joked that airplanes landing in College Station were equipped with sweepers in order to clear the cows off the runway.

But it is not like that. College Station and neighboring Bryan are one of the country's fastest-growing areas, the combined population exceeding 100,000.

Texas A & M reports that it is also the fastest-growing university in the country. Approximately 37,000 students — almost 14,000 of them women — will enroll this fall. A & M became coeducational in 1971.

And these so-called farm boys have money. The university raised \$24.4 million last year from among its alumni, as well as from industry and foundations.

But the stereotype persists. When Sherrill was hired, it looked as if Texas A & M had decided that upgrading football was more important than raising its academic standing.

There was speculation that influential alumni were paying Sherrill's way or, worse yet, that part of

his salary would come from taxpayer money allocated by the state for the improvement of academic facilities.

"My salary is coming out of ticket sales," Sherrill said. "And I work for the president of the university, not the president of the club. People said Texas A & M was off its rocker and losing its credibility in academics, but when the board of regents meets here, they don't talk about athletics."

Aggressive Recruiters
"Texas A & M is a competitive university," said Dr. C.S. Giam, a professor of chemistry and oceanography at Texas A & M who has served on two National Academy of Sciences committees, done joint research with the Soviet Union and is listed in "Who's Who in America."

"If someone who is good in his field becomes available and fits into our program, of course we go after him," Giam said.

As Giam implies, Sherrill is one of the best and the brightest. He has received a number of coaching offers during his five years at Pitt. But bright young coaches are often portrayed as mercenaries, chasing the dollar from one school to another while claiming they are looking for a new challenge.

Although 1982 will be his first season at Texas A & M, Sherrill has already been rumored as a candidate for a head coaching job in the National Football League as well as at the University of Alabama, where he played for Bryant.

But Sherrill notes that faculty members, as well as people in private industry, also often pursue better-paying jobs.

In order to show the administration that he intends to honor his six-year contract, Sherrill said, he added a clause stating that he cannot take another job.

"And I think Jackie is smart enough not to be the guy who follows Coach Bryant," said Charlie Thornton, Bryant's administrative assistant. "He's got a lot of brains."

Sherrill also scored points with the Texas A & M faculty when he sent each member a letter that reaffirmed his commitment to academics. He has set up two committees to screen recruits and to determine eligibility. He has two academic advisers working with the athletes.

"I have a responsibility to this institution, its former students, players and coaches," he said. "I don't think college athletics is tearing down academics."

"We have problems, but there are problems in academics, too. Not every player can be an all-American, and not everyone can be Phi Beta Kappa."

He speaks softly and deliberately. Sherrill has had to measure his words since last January. He says the controversy over his salary has not affected him, but the effort he has made to reach out to the alumni and faculty seems to indicate otherwise.

The irony is that, although he has become the highest-paid college coach in the country, he did not always aspire to coaching. "It's never been an obsession with me," he said. "So I've overruled the pressure that some guys have. But when I did start coaching in 1967, when I was 24, I told myself that if I wasn't a head coach by the time I was 31, I'd get out of it."

Big City Tastes
He was a graduate assistant at Alabama in 1964 before moving on to become an assistant under Frank Broyles at Arkansas. In 1968, he joined Johnny Majors at Iowa State and followed Majors to Pittsburgh in 1973. In 1976, only two years past his timetable, he became head coach at Washington State. He left a year later to become head coach at Pitt.

Sherrill was born in rural Oklahoma and reared in Mississippi, but he enjoyed living in a big city. He made contacts with corporate leaders and identified with them.

"They're in a pressure-packed business, too," he said. "And they compete hard. When they close a big deal and make money, they don't brag about it. When a deal falls through, they don't say anything either."

"It's like coaching — you don't make excuses. Bragging rights are for the fans and the stockholders." But there is a difference. Sherrill's successes and failures are public knowledge. He will be expected to produce in a hurry, especially because of his salary. "I've won before," he said. "That's no problem."

"I would have stayed at Pitt if I was insecure. But I don't want any outside interference. One of the reasons I took this job was because it includ-

ed being athletic director and I wanted to better control my own destiny.

"I told the alumni groups that I'm the boss." A few years ago, Sherrill turned down an offer from one university, partly because his salary was to be paid by a wealthy alumnus who would sign Sherrill to a personal-services contract.

"I told him that I would take \$75,000 worth of stock in his company first," Sherrill said. "That way I would own part of him instead of him owning me."

The Aggie Club is the fund-raising arm for athletics here, and it has provided \$2 million for scholarships and facilities the last two years. Harry Green, its executive director, said that neither he nor any of the 12 members of the committee have tried to pressure Sherrill or others who have coached here.

"I'm not saying it won't happen," Green said. "But right now these people are running their own businesses. They're not saying, 'I've got the arm, brother.' No, raising money doesn't give us any power."

So this might be an ideal place for Sherrill to tackle the pressure. He fits in: Students are soft-spoken, clean-cut and conservative. "They are polite, and they look you in the eye," he said.

"Texas A & M," Sherrill added, "has been called a sleeping giant. There is a lot of loyalty here."



San Diego second baseman Tim Flannery, right, had already caught a Wrigley Field pop-up by Jody Davis, but shortstop Gary Templeton just wanted to make sure his help wasn't needed.

The Way Out for NFL Owners

By Dave Kindred
Washington Post Service

WASHINGTON — If the pro football players go on strike, it is the owners' fault. The owners have booted it. Call them arrogant, call them imperious, call them fools.

The 28 owners have a money machine cranking out millions of dollars, even billions. Yet these totalitarians who would take entire samples of players, who would fine players for shaking hands, who would deny players the right to work where they want to — these owners would throw sand into the gears of their money machine before they would do the right thing for the players who make the machine turn so smoothly.

The right thing is to treat the players as valued employees with legitimate complaints.

As baseball owners learned in the senseless half-century of strike in 1914, there is no longer anything to be gained by treating professional athletes as indentured servants who ought to be grateful for any scraps from the master's dinner table.

The courts have ruled for players and against leagues in virtually every freedom-of-contract case during the last decade. The tide is running against the plantation owners, and they'll be in over their heads soon if they don't do the right thing.

Even On the 50
The right thing is to get back to the negotiating table with National Football League Players Association representatives.

Out of obstructionism, the owners' negotiators refuse to meet the union people at a training camp site. If they have to meet at midfield during a scrimmage, the owners' men should do it.

By the petty finings of last week, by the refusal even to negotiate, football's owners are repeating baseball's mistake of welding the players' union into a clenched fist.

Once upon a time, the football players may have been divided about a strike. Two months ago, they may not have been sold on the percentage-of-gross concept put forward by NFLPA Executive Director Ed Garvey.

But the owners offered the players no alternative plan. And now the sense — at this typewriter, anyway — is that the players are willing to strike in support of Garvey's plan if for no other reason than it is the only one anybody has proposed.

The players properly perceive management's refusal to offer a realistic plan as evidence that the owners believe the union will crumble on its own. Such perception has made the union stronger. By doing nothing, the owners did a lot — for the union.

It is a fact, of course, that the owners have submitted a counterproposal to Garvey's idea that the players get 55 percent of all money taken in. But because the owners consider Garvey's plan an insult, they replied in kind.

The owners' proposal is a microscopically improved version of the current compensation system that has shackled players to their teams and kept salaries below the levels to which they would rise in a free market.

The owners should come to the bargaining table with a new proposal. Somewhere between Garvey's percentage-of-gross idea and the chaos of total freedom (even we romantics acknowledge the need for some restraints in sports), there ought to be a middle ground.

On a shelf in Garvey's office, there is a foot-square block of stone. Etched into the stone is a percentage sign.

Chances are, although Garvey is too stubborn to

admit it, he would be happy to hear a proposal from the owners that would enable him to turn that stone around and carve a dollar sign in the other side.

And chances are the owners, who have acknowledged that the players are underpaid, would go a long way with any proposal that raised salaries without tying the raises to a fixed percentage of gross.

So why doesn't someone suggest something?

At the moment, the National Football League doesn't suggest anything because it has a leadership crisis.

Every time it goes into court, it comes out a loser. It lost every round in federal court to Al Davis and then, in a demonstration of undiluted gall, went to the Congress of the United States asking for legislation to reverse that court's decision.

Earlier, the founding lords of football missed their opportunity to divide the players' union by not giving dissenting players an alternative proposal before the union's March convention.

Lately, the league commissioner, Pete Rozelle, has come to Congress with an antitrust exemption bill that, if passed, would be followed, he said, by expansion of the league.

Rozelle has admitted that such expansion teams were "dangling" before the eyes of influential senators. That is the sort of dangling that politicians interpret as a payoff: You give me my new law, we give you a football team. Rozelle smoothly denied any such connection.

The commissioner was not so smooth last week on Capitol Hill. Under fire from Strom Thurmond, the crusty old South Carolina Republican (whose state neither has nor lusts for pro football), Rozelle said the league needed legislation because it would be impossible to draw up guidelines on when a team could leave a city.

You couldn't pin it on how they have done financially, Rozelle began. "They would... that can be juggled. A team can arrange its figures in a way to show losses for several straight years."

Had Garvey stuck bamboo shoots under Rozelle's shining nails, he could not have elicited a more helpful quotation. It long has been Garvey's contention that owners aren't telling the whole truth about money, and now comes Rozelle saying figures "can be juggled."

With leadership so bewildered it gives this kind of comfort to its adversary, the NFL is headed for a strike that doesn't have to happen. It is time for the owners to make a conciliatory gesture to the players, to offer a plan that is more than a sarcastic reply to an insult from Garvey.

They should offer free agency to all players after three seasons.

Garvey says free agency won't work because teams will not bid on players, there being, in his estimation, no economic incentive to win under the lazy comforts of the NFL's share-the-wealth socialism.

To guarantee that free agency works, Garvey should demand binding-arbitration contract disputes — if a player asks for \$500,000 a year and the team offers \$200,000, a neutral arbitrator should decide the issue.

There should be no compensation rules at all. The right of first refusal, under which the National Basketball Association and National Hockey League work, is safeguard enough if a team wants to keep its quality players.

All that may not increase the salaries of undistinguished right guards as much as Garvey's 55 percent plan would.

But with free agency, right of first refusal and binding arbitration, football players soon enough would be paid what they're worth.

Henderson, Armas and Meyer Rally A's Over Red Sox, 12-5

Compiled by Our Staff From Dispatches

OAKLAND, Calif. — With Ricky Henderson running wild and Tony Armas and Dan Meyer providing the muscle, the Oakland A's rallied from a 5-0 deficit for a 12-5 victory over the Boston Red Sox on Saturday.

Henderson singled three times and scored three runs — he now has 102 runs for the season, the first player to reach 100 in the American League. Henderson's three stolen bases ran his season count to 114, five behind Lou Brock's major league record.

Dan Meyer's three-run home run off the foul pole in left field was the decisive blow for the A's, who trailed 3-5 going into the fifth. Armas' grand-slam homer, the third of his career, capped a five-run rally in the sixth.

Boston jumped to a 5-0 lead off starter Steve McCatty, scoring three runs in the first on a two-run home run by Dwight Evans and a throwing error by center fielder Dwayne Murphy. Carney Lansford hit a two-run homer in the third.

The A's scored a run in the third on Murphy's sacrifice fly off starter Chuck Rainey and added two runs in the fourth on Mike Heath's first home run of the year. The A's rounded out the scoring in the eighth on Wayne Gross' RBI single.

Henderson is also approaching a negative record. Thrown out trying to steal third base by catcher Rich Gedman, Henderson was caught for the 37th time, one short of the record set in 1915 by Ty Cobb. Oakland has three more games at home before departing on a road trip. "Right now, I feel I have the chance" to break Brock's record here, said Henderson. "But I'm not going to try to do extra things just to get the record at home."

Twins 4, Indians 3
In Cleveland, Gary Ward drove in two runs with a double and a sacrifice fly to pace Minnesota to a 4-3 victory over the Indians. Cleveland starter Larry Sorensen took the loss as the Twins beat the Indians for the first time in eight games this season.

Blue Jays 3, Yankees 1
In New York, Jim Clancy and Dale Murray combined on a three-hitter and Toronto scored three times in the first inning off Ron Guidry as the Blue Jays defeated the Yankees, 3-1. Murray came on with two on and none out in the ninth to record his first save.

Orioles 8, Rangers 6
In Arlington, Texas, a bad-hop single by Lenn Sakata produced the go-ahead run during a three-run eighth that lifted Baltimore past Texas, 8-6. Cal Ripken opened the eighth with his 18th homer of the year. Two outs later, Rich Dauer singled, moved to second on Al Bumbry's single and scored when Sakata's grounder skipped past third baseman Buddy Bell. Reliever Tim Stoddard (3-4) got the victory.

Royals 4, White Sox 3
In Kansas City, Mo., Willie Aikens hit a two-out homer in the ninth off Salome Barajas to lead the Royals past Chicago, 4-3. Dan Quisenberry worked the final 1½ innings to raise his record to 7-5. The White Sox, who dropped their fifth straight, were hurt by an unusual ruling. They loaded the bases with none out in the third but, because of an interference call, did not score. Second baseman Frank

Major League Standings

AMERICAN LEAGUE
Eastern Division

Team	W	L	Pct.	GB
Albuquerque	71	50	.587	—
Boston	61	59	.508	10
Baltimore	60	57	.513	11
Detroit	59	57	.510	12
New York	58	60	.492	15
Cleveland	58	61	.487	16
Toronto	52	64	.446	23

Western Division

Team	W	L	Pct.	GB
California	70	52	.574	—
Kansas City	70	52	.574	—
Chicago	57	57	.500	13
Seattle	54	59	.479	16
Oakland	54	58	.482	15
Texas	48	71	.402	26
Minnesota	45	77	.366	32

NATIONAL LEAGUE
Eastern Division

Team	W	L	Pct.	GB
St. Louis	76	52	.594	—
Philadelphia	68	54	.558	8
Pittsburgh	68	54	.558	8
Cincinnati	62	59	.512	14
Chicago	53	72	.424	23
New York	52	71	.423	24

Western Division

Team	W	L	Pct.	GB
Los Angeles	69	55	.556	—
San Diego	66	58	.532	3
San Francisco	64	62	.514	5
Houston	57	65	.467	11
Cincinnati	47	74	.382	21

CFL Standings

EASTERN DIVISION

Team	W	L	T	Pct.	PP	PF
Toronto	4	2	1	.667	184	124
Hamilton	3	3	2	.500	144	154
Montreal	1	4	2	.278	47	143
Ottawa	1	5	2	.143	141	171

WESTERN DIVISION

Team	W	L	T	Pct.	PP	PF
Winnipeg	3	3	1	.500	188	133
Calgary	2	3	1	.400	127	123
Edmonton	2	3	1	.400	129	145
Saskatchewan	2	3	1	.400	124	124

Friday's Results
Winnipeg 24, Calgary 4
Saskatchewan 15, Hamilton 15

NFL Exhibition Games

Friday's Results
Philadelphia 14, New England 7
Green Bay 41, Cincinnati 27

Saturday's Results
Chicago 21, Buffalo 14
New Orleans 40, Kansas City 3
Tampa Bay 16, Washington 13
Detroit 38, Raiders 14
Pittsburgh 13, N.Y. Giants 16
Minnesota 17, Seattle 10
Dallas 14, San Diego 14
Denver 17, Atlanta 14
San Francisco 14, St. Louis 15

White fielded a grounder and threw to shortstop U.L. Washington to force Tony Bernazard, who was coming down from first base. Washington's peg to first for a double play went past Willie Aikens and two men crossed the plate for what seemed to be a 2-0 Chicago lead. But second base umpire Rich Garcia ruled Bernazard had interfered with Washington when he slid into second. Garcia called the batter out and sent the runners back to third and second. After Greg Luzinski walked to reload the bases, Carlton Fisk fled out.

Angels 13, Tigers 1
In Anaheim, Calif., Bob Boone hit two home runs and Doug DeCinces drove in four runs as California overpowered Detroit, 13-1, to remain tied with Kansas City for first place in a three-team American League West. Geoff Zahn scattered six hits in equalling his career high of 14 victories in a season. "I enjoy winning — that's what you go out there for," said Zahn, who also evened his major league career record at 83-83 with his ninth complete game of the season.

Braves 6, Mets 5
In Atlanta, Jerry Royster singled home Rufino Linares in the sixth to lift the Braves to a 6-5 triumph over New York. Starter Bob Walk (11-9) was the victor and Gene Garber finished up, earning his 22d save. Of the Braves' play in their third straight victory, Manager Joe Torre said: "They're back to where they were earlier in the year."

Cardinals 7, Giants 6
In St. Louis, Darrell Porter's second RBI single of the game capped a five-run third and helped the Cardinals nip San Francisco, 7-6, and to their Eastern Division lead to two games over Philadelphia. Dave Llopis, who had three hits for the winners, while Mike Schmidt hit his 27th homer of the season for the Phillies.

Reds 10, Phillies 3
In Cincinnati, Bob Shirley, backed by a 13-hit attack, pitched a seven-hitter as the Reds defeated Philadelphia, 10-3. Dave Concepcion and Cesar Cedeno each had three hits for the winners, while Mike Schmidt hit his 27th homer of the season for the Phillies.

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